ALL - América Latina Logística S.A.
and its subsidiaries
Quarterly Financial Information
As of March 31, 2011 and 2010, and December 31, 2010
with independent auditors’ report on special review
drawn up in accordance with International Financial Reporting Standards (IFRS)

INDEPENDENT AUDITORS REPORT ON SPECIAL REVIEW

The Shareholders, Board of Directors and Officers
ALL – América Latina Logística S.A.
Curitiba - PR

Introduction

We have reviewed the individual and consolidated interim financial information contained in the Quarterly Information Form (ITR) of ALL – América Latina Logística S.A. as of March 31, 2011, comprising the balance sheet and the related statements of income, comprehensive income, changes in equity and cash flows for the quarter then ended, and a summary of significant accounting policies and other explanatory notes.

Management is responsible for the preparation of the individual interim financial information in accordance with CPC 21 – Interim Financial Reporting, and of the consolidated interim financial information in accordance with CPC 21 and with IAS 34 – Interim Financial Reporting, issued by the International Accounting Standards Board (IASB), as well as for the fair presentation of this information in conformity with the standards issued by the Brazilian Securities and Exchange Commission applicable to the preparation of Quarterly Financial Information (ITR). Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of review

We conducted our review in accordance with Brazilian and International Standards on Review Engagements (NBC TR 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with accounting standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion on the individual interim financial information

Based on our review, nothing has come to our attention that causes us to believe that the accompanying individual interim financial information included in the quarterly information referred to above is not fairly presented, in all material respects, in accordance with CPC 21 applicable to the preparation of quarterly information (ITR), consistently with the standards issued by the Brazilian Securities Commission.

Conclusion on the consolidated interim financial information

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated interim financial information included in the quarterly information referred to above is not fairly presented, in all material respects, in accordance with CPC 21 and IAS 34 applicable to the preparation of quarterly information (ITR), consistently with the standards issued by the Brazilian Securities Commission.

Emphasis of a matter

As mentioned in Note 4 (a), on October 20, 2006, indirect subsidiaries América Latina Logística Central S.A. (“ALL Central”) and América Latina Logística – Mesopotámica S.A. (“ALL Mesopotámica”), executed, with the Argentine National State “Letters of Understanding”, as part of the renegotiation process of its concession agreements. On the issue date of this Report, the Management of the subsidiaries and its counsels understand that the renegotiation process of the agreements has not been concluded yet, due to the absence of approval by the Executive Branch of such country. The main effects of the new contractual system which is being negotiated are also described in Note 5 (a). The subsidiaries estimated the recoverable amount of its permanent assets and taxes recoverable, on March 31, 2011, based on cash flow studies which take into consideration the changes proposed in the “Letters of Understanding” previously mentioned, which the Management of the subsidiaries deem as necessary to comply with its business plans. The recoverability of the amount of permanent assets and taxes recoverable, presently, depend on the approval by the Argentine National Executive Branch of the renegotiation of the concession agreement (previously approved by the “Comisión Bicameral de Seguimiento de Privatizaciones” of such country), and the successful implementation of the business plan developed by the Management. The resolution of these matters is still pending on the date of this Report and, subsequently, the present financial statements do not comprise any adjustment and/or reclassification from the effects that could derive from said uncertainties.

As described in Note 6, the indirect subsidiary ALL Central has interrupted the recognition of revenues linked to tolls of “Unidad Ejecutora del Programa Ferroviário Provincial (U.E.P.F.P.)” as from January 2002. This decision is basically founded on the lack of recognition of services rendered by said Unit. In 2004, ALL Central started a demand with the Federal Contentious Administrative Court of the province of Buenos Aires, requiring the payment of toll values referring to the period between 1993 and 1996. Supported by its legal advisors’ opinion, that the collection suit of the amounts filed against U.E.P.F.P. has a relatively high probability of success, the Management did not record provision for losses of the amount receivable recorded at ALL Argentina of approximately R$1,914 thousand (P$4,762 thousand). On the other hand, and due to the agreements executed with the previous shareholders, ALL Argentina records a liability of similar value, due to the obligation of reimbursing 50% of the recovered amounts, referring to tolls incurred in the periods preceding the acquisition date of ALL Central and ALL Mesopotámica. The financial statements described in paragraph 1 do not contemplate possible adjustments or reclassifications that could arise as a result of these discussions.

Other matters

Interim statements of value added

We have also reviewed the individual and consolidated interim statements of value added for the quarter ended March 31, 2011, the presentation of which in the interim financial statements is required by CVM rules applicable to preparation of quarterly information and as supplementary information under IFRS, whereby no statement of value added presentation is required. These statements have been subject to the same review procedures previously described and, in our opinion, are presented fairly, in all material respects, in relation to the overall individual and consolidated interim financial information.

Curitiba, May 4, 2011

Ernst & Young Terco Auditores Independentes S.S.
CRC-2-SP 15199/O-6 “F” PR

Luiz Carlos Passetti	Roque Hülse
Accountant CRC-1-SP-144.343/O-3 “S” PR	Accountant CRC-SC-021283/O-3 T-PR

ALL – AMÉRICA LATINA LOGÍSTICA S.A. AND ITS SUBSIDIARIES

BALANCE SHEETS FOR THE PERIODS ENDED MARCH 31, 2011 AND DECEMBER 31, 2010
(In thousands of R$)

		Parent Company		Consolidated	
	Note	3/31/11	31/12/10	3/31/11	31/12/10
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	5	477,600	591,702	1,629,018	1,974,560
trade accounts receivable	6	21,981	7,905	302,660	231,383
Inventories				101,121	105,077
Credits with congeners				1,527	1,344
Advances from leasing agreements	7			6,186	6,186
Recoverable taxes and contributions	8	51,237	50,825	274,739	276,968
Dividends and interest on own capital		1,110	1,110		
Advances and other accounts receivable		5,419	5,420	98,862	95,200
Prepaid expenses		2,461	4,190	8,133	12,695
total current assets		559,808	661,152	2,422,246	2,703,413
NON-CURRENT ASSETS					
LONG-TERM ASSETS					
Credits receivable from related companies	19	74,284	46,326		
Advances from leasing agreements	7			92,995	94,724
Debentures	10	272,549	265,397		
Recoverable taxes and contributions	8	10,931	9,859	317,925	313,592
Deferred income tax and social contribution	9			466,292	457,392
Refundable deposits and restricted amounts	18	15,294	15,302	363,454	348,015
Other realizable assets		26,103		66,106	40,250
Prepaid expenses				7,608	7,912
		399,161	336,884	1,314,380	1,261,885
PERMANENT ASSETS					
Investments	11	4,113,730	3,987,705	8,642	7,483
Intangible assets	12	1,071	1,168	2,522,061	2,535,100
Fixed assets	13	129,391	127,034	6,450,348	6,011,955
		4,244,192	4,115,907	8,981,051	8,554,538
Total non-current assets		4,643,353	4,452,791	10,295,431	9,816,423
TOTAL ASSETS		5,203,161	5,113,943	12,717,677	12,519,836

The notes are an integral part of the financial statements.

ALL – AMÉRICA LATINA LOGÍSTICA S.A. AND ITS SUBSIDIARIES

BALANCE SHEETS FOR THE PERIODS ENDED MARCH 31, 2011 AND DECEMBER 31, 2010
(In thousands of R$)

	Note	Parent Company		Consolidated	
		3/31/11	31/12/10	3/31/11	31/12/10
LIABILITIES					
CURRENT LIABILITIES					
Suppliers		23,389	20,508	367,432	345,352
Loans and financings	14	71,504	13,142	463,651	385,523
Debentures	15	154,893	178,478	212,329	261,195
Tax liabilities		7,771	4,332	51,980	43,344
Debt with congeners				2,033	3,304
Lease and concessions	17			29,942	35,282
Labor and social security liabilities		2,183	333	45,303	78,698
Advance from clients		16,736	16,741	41,292	69,452
Leasing	16			248,085	239,354
tax and social security installments	23	439	420	17,591	17,685
Other accounts payable				38,017	11,995
Deferred income	22	26,103		2,611	2,611
Real estate credit advances	21	29,968	29,968	151,611	151,611
Dividends and interest on own capital		57,987	57,987	58,296	58,297
total current liabilities		390,973	321,909	1,730,173	1,703,703
NONCURRENT LIABILITIES					
Loans and financings	14	249,936	252,364	2,560,272	2,653,527
Debentures	15	605,318	605,317	1,458,669	1,465,619
Accounts payable to related companies	19	23,901	26,713		
Provision for contingencies	18			207,348	203,304
Lease and concessions	17			1,164,268	1,114,809
Provision for unrealized profit	20	12,432	12,617		
Leasing	16			1,054,779	856,747
Tax and social security installments	23	5,489	5,356	189,663	188,572
Real estate credit advances	21	69,769	73,374	452,383	466,400
Other liabilities				12,907	8,885
Provsion for unsecured liabilities in subsidiaries	11	8,116	7,661		
Deferred income	22			29,641	30,294
total noncurrent liabilities		974,961	983,402	7,129,930	6,988,157
SHAREHOLDERS' EQUITY	24				
Capital stock		3,433,941	3,433,941	3,433,941	3,433,941
Capital reserves		45,419	36,909	45,419	36,909
Profit reserves		343,229	341,547	343,229	341,547
Accumulated earnings (losses)		515		515	
Equity adjustments		1,750	(13,766)	1,750	(13,766)
Advance for future capital increases		12,373	10,001	12,373	10,001
		3,837,227	3,808,632	3,837,227	3,808,632
Minority interest in subsidiaries				20,347	19,344
Total shareholders' equity		3,837,227	3,808,632	3,857,574	3,827,976
TOTAL LIABILITIES		5,203,161	5,113,943	12,717,677	12,519,836

The notes are an integral part of the financial statements.

ALL – AMÉRICA LATINA LOGÍSTICA S.A. AND ITS SUBSIDIARIES

INCOME STATEMENTS FOR PERIODS ENDED MARCH 31, 2011 AND DECEMBER 31, 2010
(In thousands of R$)

	Note	Parent Company		Consolidated	
		3/31/11	**3/31/10**	**3/31/11**	**3/31/10**
Gross revenue from services					
Provision of cargo transportation services and other	31	35,634	15,546	761,292	713,036
Gross revenue deductions, mainly taxes (ICMS, ISS, PIS and COFINS)		(3,340)	(1,190)	(100,130)	(86,893)
Net revenue from services	30	32,294	14,356	661,162	626,143
Cost of services provided		(1,744)	(4,802)	(395,831)	(361,242)
Gross profit		30,550	9,554	265,331	264,901
Income from shareholding					
Equity accounting	11	14,419	35,925	192	469
Reversal (provision) for unsecured liabilities in subsidiaries	11	(1,005)	(1,909)		(755)
Goodwill amortization in subsidiaries		(10,947)	(8,068)	(11,238)	(8,398)
Gain/loss in investments			417	967	468
		2,467	26,365	(10,079)	(8,216)
Other operating income (expenses)					
Selling		(633)	(1,024)	(6,515)	(6,551)
General and administrative		(9,279)	(3,064)	(33,225)	(40,474)
Other operating income (expenses), net	30	(1,479)	11,334	6,193	14,458
		(11,391)	7,246	(33,547)	(32,567)
Operating income before financial income		21,626	43,165	221,705	224,118
Financial expenses	26	(43,701)	(30,289)	(267,754)	(248,454)
Financial income	26	24,781	25,177	47,033	60,243
		(18,920)	(5,112)	(220,721)	(188,211)
Operating profit before taxes and minority interest		2,706	38,053	984	35,907
Provision for income tax and social contribution	9	(2,191)	(1,882)	(7,165)	(8,964)
Deferred income tax and social contribution	9		(1,123)	7,825	8,859
		(2,191)	(3,005)	660	(105)
Minority interest in subsidiaries				(1,129)	(754)
Net income for the period		515	35,048	515	35,048
Basic earnings per share	28				
(Amounts in thousands, except for earnings per share)					
Per common share		0.0008	0.0519	0.0008	0.0519
Diluted earnings per share	28				
(Amounts in thousands, except for earnings per share)					
Per common share		0.0007	0.0511	0.0007	0.0511

The notes are an integral part of the financial statements.

ALL – AMÉRICA LATINA LOGÍSTICA S.A. AND ITS SUBSIDIARIES

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE PERIODS ENDED MARCH 31, 2011 AND DECEMBER 31, 2010

(In thousands of R$)

	Capital Paid-up		Capital Reserve				Profit Reserve					Other				
	Subscribed	To be paid-up	Treasury Shares	Debentures Funding Cost	Recognized Granted Options	Goodwill in the issue of shares	Legal	Tax Incentives	For Investments	Retained earnings or accumulated losses	AFAC	Accumulated translation Adjustments	Adjustment to assets	Total	Minority shareholders	Total shareholders' equity
Balance on December 31, 2010	**3,470,037**	**(36,096)**	**(9,518)**	**(19,439)**	**65,834**	**32**	**53,613**	**79,250**	**208,684**		**10,001**	**(9,833)**	**(3,933)**	**3,808,632**	**19,344**	**3,827,976**
Net income (losses) in the period										515				515	1,003	1,518
Exchange effect on foreign investments												(727)		(727)		(727)
Effect of mark-to-market of hedge operations													9,197	9,197		9,197
Mark-to-market of investment held for sale													1,488	1,488		1,488
Reflex adjustments of Parent Company									1,955				5,558	7,513		7,513
Stock options:																
Advances for exercised options					7,650									7,650		7,650
Exercised options			1,127		(267)				(273)		2,372			2,959		2,959
Balance on March 31, 2011	**3,470,037**	**(36,096)**	**(8,391)**	**(19,439)**	**73,217**	**32**	**53,613**	**-**	**210,366**	**515**	**12,373**	**(10,560)**	**12,310**	**3,837,227**	**20,347**	**3,857,574**

The notes are an integral part of the financial statements.

ALL – AMÉRICA LATINA LOGÍSTICA S.A. AND ITS SUBSIDIARIES

STATEMENTS OF CASH FLOWS FOR PERIODS ENDED MARCH 31, 2011 AND 2010

(In thousands of R$)

	Parent Company		Consolidated	
	3/31/11	**3/31/10**	**3/31/11**	**3/31/10**
Operating activities				
Net income for the year	515	35,048	515	35,048
Expenses (revenue) that do not affect cash and cash equivalents				
Depreciation and amortization	999	762	92,772	83,740
Goodwill amortization	10,947	8,068	11,238	8,398
Equity accounting	(14,419)	(35,925)	(192)	(469)
Provision for unsecured liabilities	1,005	1,909		755
Deferred income tax and social contribution		1,123	(7,825)	(8,859)
Provision for unrealized profit	(185)	(185)		
Realization of deferred revenues			(653)	(516)
Exchange variation and charges on financings and debentures	(30,281)	(35,246)	(8,297)	(24,511)
Stock Options	1,920	1,281	7,650	5,104
Minority interest			1,129	754
	(29,499)	(23,165)	96,337	99,444
Increase (decrease) in assets accounts				
Trade accounts receivable	(14,076)	8,933	(71,278)	(65,516)
Inventories			3,956	4,240
Recoverable taxes	(411)	(3,860)	(3,180)	(4,901)
Other assets	(24,346)	(9,305)	(38,059)	(16,744)
	(38,833)	(4,232)	(108,561)	(82,921)
Increase (decrease) in liabilities accounts				
Suppliers	2,881	(747)	22,080	(30,667)
Payroll and social charges	1,850		(33,395)	10,788
Taxes, fees and contributions	3,900	1,151	9,635	17,204
Leasing and concession payable			44,119	29,498
Other liabilities	26,197	(711)	17,510	(18,171)
	34,828	(307)	59,949	8,652
Operating cash generation (use)	**(33,504)**	**(27,704)**	**47,725**	**25,175**
Investment Activities				
Acquisition of fixed assets	(3,244)		(250,638)	(228,968)
Fixed Assets write off			(10,557)	203
Acquisition (increase) of interest	(100,000)	(417)	(967)	(258)
Cash generated by (used in) investment activities	(103,244)	(417)	(262,162)	(229,023)
Financing activities				
Financing				
Funding	60,000		60,000	
Amortization	(9,543)		(194,064)	(134,188)
Capital increase and AFAC	2,959	13,084	2,959	13,084
Related parties	(30,770)	(315,517)		
Cash generated by (used in) financing activities	22,646	(302,433)	(131,105)	(121,104)
Cash and cash equivalents increase (reduction)	**(114,102)**	**(330,554)**	**(345,542)**	**(324,952)**
Cash and cash equivalents initial balance	591,702	1,139,519	1,974,560	2,573,725
Cash and cash equivalents final balance	477,600	808,965	1,629,018	2,248,773
Cash and cash equivalents increase (reduction)	**(114,102)**	**(330,554)**	**(345,542)**	**(324,952)**

The notes are an integral part of the financial statements.

ALL – AMÉRICA LATINA LOGÍSTICA S.A. AND ITS SUBSIDIARIES

STATEMENT OF VALUE ADDED FOR PERIOD ENDED MARCH 31, 2011
(In thousands of R$)

	Parent Company		Consolidated	
	3/31/11	31/03/10	3/31/11	31/03/10
Revenues				
Sale of services	32,379	14,377	662,986	629,401
Other revenues	334	234	31,754	30,314
Allowance for doubtful debts - (recording)	(633)	(1,024)	(6,513)	(5,050)
	32,080	**13,587**	**688,227**	**654,665**
Inputs acquired from third parties				
Cost of services sold	(147)	(4,280)	(195,136)	(175,069)
Material, energy, outsourced services and other	(14,305)	(779)	(19,644)	(9,028)
Loss/recovery of assets	(1,959)	2,395	(23,608)	(30,106)
Other	(58)	(3)	(2,383)	(3,093)
	(16,469)	**(2,667)**	**(240,771)**	**(217,296)**
Gross value added	**15,611**	**10,920**	**447,456**	**437,369**
Depreciation, amortization and deplention	(999)	(762)	(92,772)	(83,740)
Net value added generated by entity	**14,612**	**10,158**	**354,684**	**353,629**
Value added received in transfer				
Equity acccounting/provision for unsecured liabilities	13,414	34,016	192	(286)
Financial revenues	24,781	25,177	47,033	60,243
	38,195	**59,193**	**47,225**	**59,957**
Total value added to distribute	**52,807**	**69,351**	**401,909**	**413,586**
Distribution of value added				
Personnel				
Direct compensation	4,034		54,811	45,511
Benefits			6,277	5,873
FGtS	90		2,346	1,954
	4,124		**63,434**	**53,338**
Taxes, fees and contributions				
Federal	2,886	3,603	10,181	10,518
State			4,413	4,463
Municipal	907	411	2,498	2,395
	3,793	**4,014**	**17,092**	**17,376**
Remuneration of thrid-party capital				
Interest	43,701	30,289	267,754	248,454
Rental	674		51,985	58,616
	44,375	**30,289**	**319,739**	**307,070**
Remuneration of own capital				
Retained earnings	515	35,048	515	35,048
Minority interest in retained earnings			1,129	754
	515	**35,048**	**1,644**	**35,802**
Total value added distributed	**52,807**	**69,351**	**401,909**	**413,586**

The notes are an integral part of the financial statements.

(In thousands of R$, except as otherwise indicated)

1. Operations

a) The Company

ALL - América Latina Logística S.A. ("Company" or "Parent Company") was established on December 31, 1997.

The Company’s main corporate purposes are:

- to hold interest in other companies, ventures and consortia, the purpose of which is related to transportation services, including rail transportation;

- to perform activities relating to transportation services, such as logistics, intermodal transportation, port operations, movement and storage of goods, operation and management of storage warehouses and general warehouses;

- to purchase, lease or lend locomotives, wagons and other rail equipment to third parties;

On October 22, 2010, the Company was included in “Novo Mercado” listing segment on the BM&FBovespa where its shares are traded.

The Company operates rail transportation in Southern Brazil through ALL – América Latina Logística Malha Sul, and in the Central West region and State of São Paulo through the subsidiaries ALL – América Latina Logística Malha Paulista, ALL – América Latina Logística Malha Norte and ALL – América Latina Logística Malha Oeste S.A. It operates in Argentina through its subsidiary ALL - América Latina Logística – Argentina S.A. (ALL Argentina), holding company of ALL - América Latina Logística - Central S.A. (ALL Central) and ALL - América Latina Logística - Mesopotámica S.A. (ALL Mesopotámica), and also provides road transportation services in Brazil through ALL - América Latina Logística Intermodal S.A. (ALL Intermodal).

Concession terms are as follows:

Companies	Concession period	Area of Operation
ALL Malha Sul	February 2027	Sul do Brasil
ALL Malha Paulista	December 2028	Centro Oeste e Estado de São Paulo
ALL Malha Oeste	June 2026	Centro Oeste e Estado de São Paulo
ALL Malha Norte	May 2079	Centro Oeste e Estado de São Paulo
ALL Central	August 2023	Argentina
ALL Mesopotámica	October 2023	Argentina
Portofer	June 2025	Porto de Santos-SP
Terminal XXXIX	August 2022	Porto de Santos-SP
TGG - Terminal de Granéis do Guarujá	August 2022	Porto de Santos-SP
Termag - Terminal Marítimo de Guarujá	August 2022	Porto de Santos-SP

All companies comprising ALL Group are listed in Note 3 a)..

Boswells S.A. is a financial investment company established in Uruguay.

Santa Fé Vagões S.A.: its corporate purpose is manufacture, maintain, sell, and trade items and services related to rolling stocks, rail systems, traction equipment, trails, signaling, and mechanical equipment related to rail activities, in addition to its parts and components, as well as the import, export, purchase, sale, distribution, lease, rental and loan of railcars, machinery, equipment and inputs related to rail activities.
At the Extraordinary General Meeting held on April 30, 2010 approved the increase in capital stock through a private subscription in the amount of R$35,000, upon the issue of 17,500,000 common shares and 17,500,000 preferred shares. This increase was paid by its parent company in domestic currency.

ALL Overseas is a wholly-owned subsidiary acquired in December 1999, and its corporate purpose is to carry out any activity that is in accordance with the legislation in force in the Bahamas.

Track Logística: set up on April 7, 2010, for the business purpose of providing the services of a general cargo logistics operator, the managing and operating of ports, terminals, distribution centers, storage units, general warehouses, bonded customs warehouses in the interior, as well as: import, export, sell, buy, distribute, lease, rent and lease containers, railway locomotives, wagons, machinery and equipment; and carry out all other related activities, correlated, accessory and complementary linked to the same. Own a shareholding, directly or indirectly, in companies, consortiums, enterprises and other types of associations. However, it did not start operating.

Brado Holding: set up on July 9, 2010, for the business purpose of owning shareholdings in other companies, consortiums or enterprises in the country or overseas.

ALL Malha Sul: the Extraordinary General Meeting held on May 18, 2010 approved the increase in capital stock through a private subscription in the amount of R$475,500, upon the issue of 107,151,203,891 common shares and 163,019,250,654 preferred shares. This increase was paid by using credits held by its parent company on that date.

ALL Intermodal: the Extraordinary General Meeting held on May 03, 2010 approved the increase in capital stock through a private subscription in the amount of R$22,100, upon the issue of 12,628,571 common shares. This increase was paid by using credits held by its subsidiary on that date.

ALL Serviços (former ALL Tecnologia): On July 12, 2010, the partners resolved: a) to change the Company’s corporate name to ALL – América Latina Logística Serviços Ltda.; b) to increase the capital stock by R$99, with the issue of 99,000 quotas, subscribed entirely by the shareholder ALL – América Latina Logística S.A., through waiver by the shareholder ALL – América Latina Logística e Participações Ltda. of the preemptive right to the subscription of new quotas.

ALL Malha Paulista: At the Board of Directors’ meeting held on March 31, 2011, Board members approved the Company’s capital increase, through private subscription, in the amount of one hundred million reais (R$100,000,000.00), upon the issue of 914,196,441 new common shares and 1,690,458,271 new preferred shares, for the price of R$0.0383928 per share, based on Article 170, paragraph 1, item II, of Law 6,404/76, preferably considering its equity value. Therefore, capital stock was increased from R$1,382,361,524.33 to R$1,482,361,524.33, composed of 4,605,522,677 shares, of which 1,616,472,395 are preferred shares and 2,989,050,282 are common shares.

b) Limitations and conditions to operate the concession granted to ALL Malha Sul, ALL Malha Paulista and ALL Malha Oeste

The Companies are subject to complying with specific conditions established in the privatizations offer and in the concession agreements for the operation of Rail Networks.

The concession agreements of these subsidiaries may be terminated in view of the following events: expiration of the contractual term; expropriation; forfeiture; termination; annulment and bankruptcy; or extinguishment of the concessionaire.

The main impacts of the extinguishment of any of the concessions would be as follows:

- all rights and privileges transferred to the Companies will return to the Federal Government, together with leased assets and those resulting from investments that are considered reversible by the Federal Government for being necessary to the continuous rendering of services under the concession.

- the assets considered reversible will be indemnified by the Federal Government at the residual cost value, calculated in accordance with the accounting records of the Companies, net of depreciation; this cost will be subject to technical and financial analyses by the Federal Government. Any and all improvements made to the permanent track superstructure will not be considered as investments for indemnification purposes.

2. Accounting policies

Accounting policies used by the Company to prepare this quarterly financial information are those used in the preparation of the financial statements for the year ended December 31, 2010.

The authorization to complete the preparation of this quarterly financial information took place at a Board meeting held on April 18, 2011.

3. Base of consolidation

3.1.1. Consolidated Quarterly statements

a) Subsidiaries

The consolidated quarterly financial information comprises the quarterly financial information of ALL – América Latina Logística S.A. and its subsidiaries as of March 31, 2011, as shown below:

(In thousands of R$, except as otherwise indicated)

	Ownership%	
	03/31/2011	12/31/2010
Direct Subsidiaries		
ALL - América Latina Logística Intermodal S.A. (ALL Intermodal)	100,00	100,00
ALL - América Latina Logística Malha Oeste S.A. (ALL Malha Oeste)	100,00	100,00
ALL - América Latina Logística Malha Paulista S.A. (ALL Malha Paulista)	100,00	100,00
ALL - América Latina Logística Malha Sul S.A. (ALL Malha Sul)	100,00	100,00
ALL - América Latina Logística Overseas S.A. (ALL Overseas)	100,00	100,00
ALL - América Latina Logística Participações Ltda. (ALL Participações)	100,00	100,00
Boswells S.A.	100,00	100,00
Santa Fé Vagões S.A. (Santa Fé)	100,00	100,00
Track Logística S.A.	100,00	100,00
Brado Holding S.A.	90,00	90,00
ALL - América Latina Logística Centro-Oeste Ltda. (ALL Centro-Oeste)	99,99	99,99
ALL - América Latina Logística Serviços Ltda. (ex ALL Tecnologia)	99,99	99,90
ALL - América Latina Logística Equipamentos Ltda. (ALL Equipamentos)	99,99	99,99
ALL - América Latina Logística Malha Norte S.A. (ALL Malha Norte)	98,06	98,06
ALL - América Latina Logística Argentina S.A. (ALL Argentina)	90,96	90,96
ALL - América Latina Logística Rail Tec (ALL Rail Tec)	51,00	51,00
ALL - América Latina Logística Servicios Integrales S.A. (Sisa)	51,00	51,00
ALL Rail Management (ex-BLLSPE)	50,01	50,01
Indirect Subsidiaries		
ALL Intermodal's Investee		
ALL - América Latina Logística Armazéns Gerais Ltda (ALL Armazéns Gerais)	100,00	100,00
Rhall Terminais Ltda.	30,00	30,00
ALL Armazéns Gerais's Investee		
PGT Grains Terminal S.A. (PGT)	100,00	100,00
ALL Malha Paulista's Investee		
Portofer Transporte Ferroviário Ltda. (Portofer)	50,00	50,00
ALL Malha Norte' Investee		
Terminal XXXIX de Santos S.A. (Terminal XXXIX)	50,00	50,00
Portofer Transporte Ferroviário Ltda. (Portofer)	50,00	50,00
ALL Argentina's Investee		
ALL - América Latina Logística Central S.A. (ALL Central)	73,55	73,55
ALL - América Latina Logística Mesopotámica S.A. (ALL Mesopotámica)	70,56	70,56
ALL Participações's Investee		
ALL - América Latina Logística Servicios Integrales S.A. (Sisa)	49,00	49,00
ALL - América Latina Logística Argentina S.A. (ALL Argentina)	9,04	9,04
ALL - América Latina Logística Serviços Ltda. (ex ALL Tecnologia)	0,01	0,10
ALL - América Latina Logística Centro-Oeste Ltda. (ALL Centro-Oeste)	0,01	0,01
ALL - América Latina Logística Equipamentos Ltda. (ALL Equipamentos)	0,01	0,01
Brado Holding's Investee		
Brado Logistica e Participações S.A.	100,00	100,00

(In thousands of R$, except as otherwise indicated)

ALL Central and ALL Mesopotámica had the following breakdown of minority shareholders as of March 31, 2011.

	Ownership%	
	ALL Central	ALL Mesopotámica
Alesia S.A.		3.64
Petersen, tiele Y Cruz S.A.		3.06
Ministério de Economia y Obras y Servicios Públicos de la Nación	16.00	16.00
Others - Individuals	4.00	4.00

ALL Argentina negotiated with its minority shareholder, Railroad Development Corporation, the acquisition of its stake in ALL Central and ALL Mesopotámica, whose corporate interests were 6.45% and 2.74%, respectively. The negotiation still depends on the approval of the transfer of shares by the Argentinean government.

The subsidiaries are fully consolidated from the acquisition date, this being the date the Company assumes control, and continue to be consolidated until this controlling position no longer exists. The quarterly financial information of the subsidiaries is drawn up for the same reporting period as the controlling company, using consistent accounting policies. All intra-group balances, revenues and expenses and unrealized gains and losses associated with intra-group transactions are wholly eliminated.

A change in the shareholding in a subsidiary that does not result in a loss of control is accounted for as a transaction between shareholders, in shareholders' equity.

The result of the period and each component of the other results included (recognized directly in net equity) are attributed to the subsidiary owner and the stake in the entities not controlled. Losses are attributed to the non-controlled shareholder, even if these result in a negative balance.

b) Joint control

For the investment in Terminal XXXIX, which is jointly controlled and shared with other shareholders, the assets, liabilities and results are consolidated proportionately based on the share capital stakes in the investment, line by line, in the consolidated quarterly financial information. Their balance sheets and financial statements are prepared for the same financial period as the Company, and adjustments are made, if necessary, to align accounting practices with those of the Company, as well as to eliminate the Company's participation in intra-group balances and transactions.

c) Affiliates

The Company's investment in an affiliate is booked using the equity method. An affiliate is an entity over which the Company exercises significant influence.

Based on the equity method, the investment in the affiliate is booked on the balance sheet at cost, adding the changes after the acquisition of the shareholding in the affiliate.

The financial statements reflect this installment in the affiliate's operating results. When a change in equity is directly recognized in the affiliate, the Company will recognize its share in the variations and publish this fact, when applicable, in the statements of changes in equity holdings. The unrealized gains and losses resulting from transactions between the Company and the affiliate are eliminated in accordance with the shareholding maintained in the affiliate.

The shareholding in the affiliate will be shown in the financial statements as shareholders' equity, representing the net income attributable to shareholders in the affiliate.

After the application of the equity method, the Company will determine if it is necessary to recognize any additional loss of recoverable value (impairment) in the Company's investment in its affiliate. The Company will determine, on the appropriate closing date of the balance sheet, if there is objective evidence that the investment in the affiliate suffered from a loss in due to impairment. If this is the case, the Company calculates the amount of impairment using the difference between the recoverable value of the affiliate and the book value, recognizing the total in its statement of income.

When there is a significant loss of influence over the affiliate, the Company evaluates and recognizes the investment at the fair value at the time. Any difference between the affiliate's book value at the time of the significant loss of influence and the remaining fair investment value after the results of the sale will be recognized in the results.

4. Argentinean subsidiaries - relationship with the Granting Authorities

a) Renegotiation of the concession agreement

From July 1997 to March 2001, through Decree 605/97, the Argentine Executive Power ordered the Transportation Secretariat to renegotiate all concession agreements for freight rail transportation services, and there were various discussions and analysis resulting in the proposal of an addendum, which was null and void.

With the enactment of Law 25,561, a new turning point for the renegotiation of concession agreements was introduced, and on April 10, 2002, a presentation was delivered to the Argentine Minister of Economy through which the process was reinitiated.

In 2003, the Executive Branch issued Decree 311, creating a special committee for the renegotiation of all concession agreements. This committee reports simultaneously to the Ministry of Economy and to the Ministry of Federal Planning, Public Investments and Services. The change in the management of Argentine Government, in May 2003, suspended the process for a few months and in September 2003, the concessionaires were once again required to update data and to attend various meetings with government officers and advisers of the Ministry of Federal Planning.

Law 25,561 was successively extended and will remain effective until December 31, 2011, as provided for in Law 26,563. After this date, ALL Central and Mesopotámica must be convened to analyze a new agreement model, considering aspects, such as the concession fee (Canon) and the annual investment plans.

On July 18, 2005, Provisions 18/2005 and 19/2005 of the Unit for Renegotiation and Analysis of Public Services Agreements were published on the Official Bulletin of the Argentine Government, relative to the letter of understanding resulting from renegotiations for commitments of the concession agreement between ALL Central and ALL Mesopotámica with the Argentine Government. On October 20, 2006, ALL Central and ALL Mesopotámica executed new letters of understanding with the Unit for Renegotiation and Analysis of Public Services Agreements in order to replace the prior letter. The effects and commitments arising from these are reflected in the quarterly financial information, even considering that the referred letters shall be approved by the President of the Republic of Argentina. The referred Letters mainly establish the following:

(i) Annual investment plan

As of January 2006, the concessionaries must invest on a yearly basis an amount equivalent to 9.5% of total net revenues of ALL Central and ALL Mesopotámica related to the previous year. Up to the present, concessionaries fully complied with minimum investments required in the plan.

(ii) Concession fee (“canon”)

As of January 1, 2006, the amount corresponding to 3% of total net revenues of ALL Central and ALL Mesopotámica referring to the previous year will be considered concession fee (“canon”). During the quarter ended on March 31, 2011, these Companies recorded expenses of R$900 (R$757 on March 31, 2010) and R$201 (R$154 on March 31, 2010) respectively, having as counter-entry the lease and concession payable account.

The concession fees relating to the previous three-year periods were included as an integral part of mutual claims negotiations, as described in item (iii).

(iii) Rights and obligations comprising the mutual claims

The renegotiation of concession agreements includes the discussion on amounts claimed by both Argentine Government and concessionaries, such as: investments not complied with by concessionaries, amounts related to concession fees of previous periods and losses incurred by concessionaires by force majeure (floods and other).

Based on the letters, the extinction of liabilities of the amounts related to mutual claims balances, which totaled P$79,760 thousand and P$14,480 thousand for ALL Central and ALL Mesopotámica, respectively, in favor of the Argentine Government, was set forth, and the concessionaries started to assume investment commitments as from January 2006, which cannot be lower than 3.17% and 1.54%, respectively, on net revenues of the previous year, respecting the minimum amounts of P$4,686 thousand and P$852 thousand, respectively. The minimum investments required by the letters commitments are being fully complied with by concessionaries, up to the moment.

b) Approval for transfer of shares

In May 1999, the Company entered into a purchase agreement with the five shareholders for the total number of shares of ALL Argentina and a usufruct agreement over the rights (both economic and political) over shares of ALL Argentina. The purchase agreement is currently pending approval by the Argentine Government, which must give its approval so that the share transfer may become official. The term of the usufruct agreement is 20 years, automatically renewable if, up to the expiration of the agreement, the Argentine Government does not express an opinion with regard to the approval for the transaction. Should authorization be denied by the Government, the five shareholders irrevocably undertake to exercise the voting right over shares of ALL Argentina, in accordance with the Company’s instructions.

(In thousands of R$, except as otherwise indicated)

5. Cash and cash equivalents

		Parent Company		Consolidated	
		3/31/11	12/31/10	3/31/11	12/31/10
Cash and Banks		6,214	4,165	57,271	17,664
Financial Investments available for sale					
CDBs	(i)	271,563	377,567	885,058	1,326,588
Pre Rate	(ii)	113,952	110,578	441,174	332,074
Government Bonds	(iii)	84,437	97,877	238,744	292,832
Other Funds	(iv)	1,434	1,515	6,771	5,402
		471,386	587,537	1,571,747	1,956,896
		477,600	591,702	1,629,018	1,974,560

The financial investments are represented by:

(i) Investments in Bank Deposit Certificates (CDBs) with rates indexed to the variation of the Interbank Deposit Certificate – CDI (average rate of 102% of the CDI);

(ii) investments in CDBs with pre-fixed rate;

(iii) Investments in Government Securities (average rate equivalent to Selic).

(iv) Investments in Funds – composed mainly of government securities.

6. Clients and operations receivable - consolidated

	3/31/11	12/31/10
Trade accounts receivable		
In Brazil	290,078	220,372
In Argentina	37,686	34,604
	327,764	254,976
(-) Provision for doubtful accounts		
In Brazil	(16,554)	(14,674)
In Argentina	(8,550)	(8,919)
	(25,104)	(23,593)
	302,660	231,383

In the parent company, trade accounts receivable balances include transactions with related parties resulting from the sale of maintenance supplies and service provision.

ALL Central has been collecting, in the administrative scope, amounts derived from toll revenues receivable from “Unidad Ejecutora del Programa Ferroviário Provincial” (“U.E.P.F.P”) totaling R$1,914 (P$4,762 thousand). The probability of success in the realization of this asset was deemed as probable by legal advisors

(In thousands of R$, except as otherwise indicated)

On March 31, 2011, maturity of accounts receivable from clients are detailed as follows:

Periods	Unexpired balance with no impairment losses	Expired balance with no impairment losses					Total
		Up to 30 days	From 31 to 60 days	From 61 to 90 days	From 91 to 180 days	Over 180 days	
3/31/11	184,821	90,623	12,647	5,184	9,385		302,660
12/31/10	188,168	8,716	15,621	7,157	8,578	3,143	231,383

Provisions of allowance for doubtful debt

Provision for credit risk was calculated based on the analysis of credit risks, which consider the history of losses, individual situation of clients, and situation of the economic group where they operate, as well as credits past due for more than 181 days. The provision recorded is considered sufficient to cover possible losses on receivable amounts.

7. Prepaid Lease Operations – consolidated

	3/31/11		12/31/10	
	Current assets	Long-term assets	Current assets	Long-term assets
Lease				
ALL Malha Oeste	166	2,333	166	2,388
ALL Malha Paulista	2,025	30,245	2,025	30,920
ALL Malha Sul	2,734	40,788	2,734	41,472
Prepaid right of way				
ALL Malha Sul	1,261	19,629	1,261	19,944
	6,186	92,995	6,186	94,724

The amount paid in cash is being amortized pursuant to the remaining lease term.

Prepaid right of way refers to the amount paid by ALL Malha Sul to ALL Malha Paulista as a consideration for the use of the segment from Presidente Epitácio to Rubião Júnior and from Pinhalzinho/Apiaí to Iperó (São Paulo state), in accordance with the agreement to operate these segments for 30 years, which is also the accounting amortization period.

Asset lease agreements are recognized in the result on a straight-line basis throughout the agreement maturity, and do not represent financial leasing.

(In thousands of R$, except as otherwise indicated)

8. Recoverable taxes and contributions

	3/31/11		12/31/10	
	Current assets	Long-term assets	Current assets	Long-term assets
Parent Company				
Withholding income tax - IRRF	44,700	10,931	44,966	9,859
Recoverable IR and CS – prepayment	5,837		5,108	
Other	700		751	
	51,237	10,931	50,825	9,859
Subsidiaries				
ICMS	98,307	72,043	96,898	67,503
Tax on Value Added – IVA	5,294	3,878	5,007	3,124
Withholding income tax - IRRF	44,895	5,390	45,983	5,390
Recoverable IR and CS - prepayment	23,393	3,430	22,962	3,430
COFINS – rate increase	3,880		3,880	
Federal Tax Credits to offset PIS/COFINS	42,334	118,112	47,141	120,422
IPI (tax on manufactured products)		102,757		102,757
Other	5,399	1,384	4,272	1,107
	223,502	306,994	226,143	303,733
Consolidated	274,739	317,925	276,968	313,592

ALL Malha Sul and ALL Intermodal maintain IPI credit premiums acquired from third parties and generated in periods prior to October 1990. These credits derive from an ordinary lawsuit with a final and unappealable decision and were transferred by means of credit assignment. The initial purpose of this acquisition was to offset these credits with other debits from federal taxes. These offsets were disallowed by the tax administration and were being discussed in court. The taxes were restated and included in the Refis program in the year of 2009.

The credit recorded, in the amount of R$102,757 (R$102,757 on December 31, 2010) is net of provision for present value adjustment, considering the current history of realization through Federal Revenue writ of payment and the different between these securities' restatement rate and the CDI rate on the balance sheet date.

The Company and its subsidiaries expect not to have any loss in the realization of these credits.

(In thousands of R$, except as otherwise indicated)

9. Tax on income - consolidated

The reconciliation of income and social contribution tax expenses at the nominal rate with effective rate for the periods ended March 31, 2011 and 2010 are broken down as follows:

	Parent Company		Consolidated	
	3/31/11	**3/31/10**	**3/31/11**	**3/31/10**
Income before taxes	2,706	38,053	984	35,907
Nominal rate	34%	34%	34%	34%
Taxes at nominal rate	(920)	(12,938)	(335)	(12,208)
Tax adjustments by:				
Equity accounting and provision for unsecured liabilities	4,902	12,215	117	159
Rate difference in companies taxed by taxable income regime			1,414	2,794
Taxes recorded (written-off or unrecorded) in the period	(5,452)	(1,918)	(10,912)	(5,821)
Addition and exclusion of effects of Law 11,941/09	(341)	(105)	(117)	5,918
Record of share granted options	(652)	(435)	(2,609)	(1,742)
Effect of SUDAM rate incentive reduction			13,078	14,479
Other permanent differences	272	176	24	(3,684)
Effective revenue (expense) of taxes	(2,191)	(3,005)	660	(105)
Current taxes	(2,191)	(1,882)	(7,165)	(8,964)
Deferred taxes	-	(1,123)	7,825	8,859

Effects of deferred income tax and social contribution on comprehensive income	**3/31/11**	**3/31/10**
Deferred income tax and social contribution related to items directly charged or credited to shareholders' equity during the year:		
Mark-to-market gains (losses) - hedge	767	(2,215)
Mark-to-market gains (losses) - financial assets available for sale	4,738	(2,647)
	5,505	**(4,862)**

(In thousands of R$, except as otherwise indicated)

Deferred tax losses carryforwards, negative basis and temporary differences held by the Company, as well as the installment recorded in the balance sheet as of March 31, 2011, may be broken down as follows:

	Consolidated	
	3/31/11	**12/31/10**
Tax losses	893,073	864,433
Goodwill amortization	86	84
Provision for variable compensation	1,396	13,442
Provision for tax credits	40,251	40,251
Provision for tax matters	9,710	9,585
Labor provisions	48,890	48,017
Provision for civil matters	8,059	8,059
Allowance for doubtful debt	9,654	9,135
Provision for unrealized income	4,226	4,289
Hedge operations to settle	2,232	2,946
Provisions	22,399	22,564
Effects of Law 11,638	64,707	65,632
Total tax credits	**1,104,683**	**1,088,437**
(-) Unrecorded credits	638,391	631,045
(=) Net credits recorded	**466,292**	**457,392**

Reconciliation of deferred tax assets

	3/31/11	**12/31/10**
Opening balance	457,392	389,405
Deferred taxes recorded in the income	7,825	84,394
Tax credit offset in Refis		(16,407)
Deferred taxes recorded in comprehensive income	1,075	
Balance on March 31, 2011	**466,292**	**457,392**

The expectation of realization of deferred tax credits recorded is as follows:

	Consolidated
2011	33,388
2012	58,925
2013	41,630
2014	39,757
2015	38,225
After 2016	254,367
Total	466,292

Tax losses carryforwards and negative basis of social contribution generated in the parent company and Brazilian subsidiaries do not become time-barred and will be offset with future taxable income, according to the tax legislation criteria.

(In thousands of R$, except as otherwise indicated)

The indirect subsidiaries ALL Central and ALL Mesopotámica, based on the generation expectation of future results and by the accounting practices adopted in Brazil, acknowledged deferred income tax credits which amount to R$11,642 on March 31, 2011 (R$11,729 on December 31, 2010). Tax losses, according to the Argentine tax legislation, prescribe in 5 years, period considered enough by the management for the full recovery of the deferred income tax.

These tax credits were not recognized in the case of the subsidiaries ALL Intermodal, ALL Malha Oeste and ALL Malha Sul, given the history of tax losses recorded over the last years.

The Company and its subsidiaries record deferred tax credits on tax losses and negative basis of social contribution when the conditions of CPC 32 are met. For that, it takes into consideration when there is a history of profitability for three out of the last five years, and the expectation of future tax results in no more than 10 years. Annually, the Management prepares a technical feasibility study and submits to the approval of the Board of Directors, which presents estimates of future taxable income to serve as basis for the tax credits recorded.

10. Private debentures

On June 21, 2010, the subsidiary ALL – América Latina Logística Malha Sul S.A. approved the private issue of two series of 25,000 subordinated debentures non-convertible into book-entry shares (first series) at a par value of R$10,000.00 per debenture, of which only the first series has been issued for a total of R$250 million.

The debentures' balances are recorded in the parent company as follows:

						Long-term Assets	
Tranche	Issue Date	Amount	Final Maturity	Annual Yield	Effective rate	3/31/11	12/31/10
ALL Malha Sul	6/1/2010	250,000	6/1/2023	102% of CDI	11.43%	272,549	265,397
						272,549	265,397

(In thousands of R$, except as otherwise indicated)

11. Investments

a) Interest in subsidiaries and affiliated companies

	Number of shares/ quotas held				% Interest			
	Common/quotas		Preferred		Total		Voting	
	3/31/11	12/31/10	3/31/11	12/31/10	3/31/11	12/31/10	3/31/11	12/31/10
ALL Intermodal	76,472,803	76,472,803			100.00%	100.00%	100.00%	100.00%
ALL Malha Oeste	459,057,998	459,057,998	19,402,076	19,402,076	100.00%	100.00%	100.00%	100.00%
ALL Malha Paulista	1,616,472,395	702,275,954	2,989,050,282	1,298,592,011	100.00%	100.00%	100.00%	100.00%
ALL Malha Sul	119,732,540,853	119,732,540,853	182,160,427,321	182,160,427,321	100.00%	100.00%	100.00%	100.00%
ALL Overseas	12,000	12,000			100.00%	100.00%	100.00%	100.00%
Boswells	3,265,000	3,265,000			100.00%	100.00%	100.00%	100.00%
Santa Fé	17,600,000	17,600,000	17,600,000	17,600,000	100.00%	100.00%	100.00%	100.00%
Track Logística	1,000	1,000			100.00%	100.00%	100.00%	100.00%
ALL Centro-Oeste	499,999	499,999			99.99%	99.99%	99.99%	99.99%
ALL Equipamentos	25,244,748	25,244,748			99.99%	99.99%	99.99%	99.99%
ALL - Serviços (former ALL Tecnologia	99,999	99,999			99.99%	99.90%	99.99%	99.90%
ALL Rail Management (former BLLSPE)	10,001	10,001			50.01%	50.01%	50.01%	50.01%
ALL Participações	11,878,448	11,878,448			100.00%	100.00%	100.00%	100.00%
ALL Malha Norte	690,110,709	690,110,709	3,686,980	3,686,980	98.06%	98.06%	98.06%	98.06%
ALL Argentina	3,000,288	3,000,288	5,825,560	5,825,560	90.96%	90.96%	90.96%	90.96%
Brado Holding	450	450			90.00%	90.00%	90.00%	90.00%
ALL Rail Tec	420,750	420,750			51.00%	51.00%	51.00%	51.00%
ALL Sisa	10,200	10,200			51.00%	51.00%	51.00%	51.00%

							Parent Company				
		Subsidiaries/Affiliated Companies			Equity Accounting		Value of Investments		Goodwill		Dividends
		Shareholders ' Equity	Income for the year	Distributed Dividends	3/31/11	3/31/10	3/31/11	12/31/10	3/31/11	12/31/10	Received
Direct Subsidiaries											
ALL Argentina	(i)	15,587	(7,922)		(7,207)	(6,669)	23,639	31,919			
ALL Centro-Oeste						(49)		206			
ALL Equipamentos		25,233	(12)		(12)	8,105	25,230	25,242			
ALL Intermodal		146,527	7,734		7,734	(11,855)	146,527	138,793			
ALL Malha Norte	(ii)	874,644	92,656		90,858	82,555	861,442	761,621	2,027,295	2,032,965	
ALL Malha Oeste		100,209	(3,175)		(3,175)	(13,495)	100,209	100,429	116,216	117,842	
ALL Malha Paulista		193,763	(15,672)		(15,672)	22,403	193,763	107,995	341,345	344,979	
ALL Malha Sul		246,312	(60,233)		(60,233)	(45,389)	246,312	296,074			
ALL Overseas		4,708	(108)		(108)		4,708	4,817			
ALL Rail Management		22	2		1		11	10			
ALL Serviços		2,822	2,722		2,722	534	2,822	100			
ALL Sisa		6					3	3			
Boswells		11,607	(121)		(121)	(142)	11,607	11,728			
Brado Holding		1									
Rail Tec		301	(327)		(167)	(73)	153	320			
Santa Fé Vagões		12,211	(201)		(201)		12,211	12,412	237	250	
					14,419	35,925	1,628,637	1,491,669	2,485,093	2,496,036	

The Parent Company records the goodwill on the expectation of future profitability in the Investments sub-group and, in the consolidated balance sheet, in the Intangible Assets sub-group, as stated in Note 12.

(i) ALL Argentina has an Advance for Future Capital Increase (AFAC) recorded in its Shareholders' Equity, at the amount of R$ 104,669 (R$109,200 on December 31, 2010) carried out by ALL Holding, which fully recognizes the AFAC in its investment until it is paid-up.

(ii) ALL Malha Norte has an Advance for Future Capital Increase (AFAC) recorded in its Shareholders' Equity in the amount of R$194,153, made by ALL Holding, which fully recognizes the AFAC in its investment until it is paid up.

(In thousands of R$, except as otherwise indicated)

b) Subsidiaries with negative shareholders' equity

Related to those subsidiaries that present negative shareholders' equity the respective provision was recorded, which is being presented in the non-current liabilities group in the balance sheet and it was estimated as follows:

	Subsidiaries		Parent Company			
			Breakdown of provision for unsecured liabilities in the period		Provision for unsecured liability	
	Unsecured liabilities	Income for the period	3/31/11	3/31/10	3/31/11	12/31/10
Direct Subsidiaries						
ALL Participações	(8,033)	(716)	(716)	(662)	8,033	7,661
ALL Centro Oeste	(83)	(289)	(289)		83	
Santa Fé				(1,247)		
			(1,005)	(1,909)	8,116	7,661

c) Investments in the consolidated balance sheet

Appraised by the equity accounting method	Book value of investments	
	3/31/11	12/31/10
Rhall Terminais	2,035	1,994
TGG	6,607	5,489
	8,642	7,483

12. Intangible assets – consolidated

		3/31/11			12/31/10	% Average Annual Rate of Amortizations
		Cost	Accumulated Depreciation	Net	Net	
Goodwill in investment acquisition						
ALL Argentina	(ii)	45,830	(31,926)	13,904	14,800	6.81%
ALL Malha Oeste	(i)	124,339	(8,123)	116,216	117,842	3.54%
ALL Malha Paulista	(i)	355,873	(14,530)	341,343	344,979	1.96%
ALL Malha Norte	(i)	2,054,448	(27,153)	2,027,295	2,032,965	0.53%
Santa Fé	(i)	1,155	(918)	237	250	10.00%
		2,581,645	(82,650)	2,498,995	2,510,836	
Granting right - Concession agreements	(iii)					
ALL Malha Oeste		3,118	(1,546)	1,572	1,598	3.33%
ALL Malha Paulista		7,891	(3,235)	4,656	4,721	3.33%
ALL Malha Sul		10,830	(5,128)	5,702	5,805	3.33%
		21,839	(9,909)	11,930	12,124	
Application Systems – software and other		32,135	(20,999)	11,136	12,140	20.00%
		2,635,619	(113,558)	2,522,061	2,535,100	

The goodwill recorded in the Parent Company's Investment is classified in Intangible Assets in the consolidated financial statements.

(i) Goodwill in investment acquisition is based on the expectation of future profitability, amortized by the realization curve considering concession terms.

(ii) Goodwill in ALL Argentina is based on the future profitability at the time the shares of ALL Central and ALL Mesopotámica were acquired on May 26, 1999, and has been amortized on a straight-line basis over the concession period. The original amount recorded in Argentine pesos is P$67,657.

(iii) It refers to the granting right of concession agreements of subsidiaries ALL Malha Oeste, ALL Malha Paulista and ALL Malha Sul, amortized by the agreement maturity.

Goodwill impairment test

Goodwill paid in business combinations was allocated to two groups of Cash-Generating Units (CGU) for purposes of the annual impairment test, as demonstrated below:

- Malha Norte (comprising ALL Malha Paulista, ALL Malha Oeste and ALL Malha Norte); and

- Malha Argentina (comprising the companies that operate in Argentina).

Malha Norte

The recoverable amount of Malha Norte in December 2010, was determined by means of the calculation of the value in use from cash projections arising from financial budgets approved by the senior management for a five-year period extended for an equal period. The discount rate before taxes applied to cash flow projections is 10.9% and the cash flows exceeding the 10-year period are perpetuated using a growth rate of 1.0%, which the Company considers conservative in relation to the projected growth for Brazil. As a result of this analysis, the Management did not identify a need to record a provision for impairment loss for this UGC group to which a goodwill of R$2,484,856 (R$2,495,786 on December 31, 2010) was allocated.

Malha Argentina

In December 2010, Malha Argentina's recoverable amount was assessed by a calculation based on the value in use from cash flow projections in American dollars considering financial budgets approved by the senior management, covering a five-year period extended by an equal period. The discount rate before taxes applied to cash flow projections is 11.89% p.a. (in USD). As a result of this analysis, the Management did not consider necessary to record a provision for impairment of goodwill balance allocated to UGC, in the amount of R$13,904 on March 31, 2011 (R$14,800 on December 31, 2010).

(In thousands of R$, except as otherwise indicated)

13. Fixed assets – consolidated

	3/31/11			12/31/10	Depreciation
	Cost	Accumulated Depreciation	Net	Net	annual average rates (%)
Improvements in third parties' assets					
Locomotives	1,008,810	(315,590)	693,220	647,882	4.00%
Railcars	640,522	(175,156)	465,366	406,792	3.33%
Track	1,887,167	(324,234)	1,562,933	1,430,494	4.29%
Other	249,658	(61,293)	188,365	146,240	5.34%
	3,786,157	(876,273)	2,909,884	2,631,408	
Own fixed assets in use					
Locomotives	573,300	(137,139)	436,161	440,000	4.00%
Railcars	348,291	(97,886)	250,405	251,736	3.33%
Track	1,018,705	(137,001)	881,704	884,057	0.91%
Assets in use supplies	114,513		114,513	99,569	
Land	30,705		30,705	31,206	
Buildings	62,394	(24,401)	37,993	38,868	5.20%
Furniture and fixtures	14,181	(10,867)	3,314	3,300	10.00%
Road vehicles	43,405	(26,272)	17,133	18,326	14.54%
Data processing equipment	87,612	(56,302)	31,310	30,447	19.71%
Telecommunications and signaling equipment	51,172	(34,695)	16,477	15,021	9.70%
Equipment for track maintenance and rail transportation	119,619	(51,323)	68,296	71,547	9.94%
Aircraft	11,752	(1,710)	10,042	10,384	10.00%
Machinery and equipment	1,172	(183)	989	73	10.00%
Other	108,089	(35,888)	72,201	70,049	10.00%
	2,584,910	(613,667)	1,971,243	1,964,583	
Leasing					
Locomotives	263,437	(65,865)	197,572	204,018	4.00%
Railcars	1,020,486	(250,177)	770,309	569,900	3.33%
Trucks	3,146	(1,517)	1,629	1,798	21.43%
Civil work	19,503	(3,606)	15,897	16,317	9.09%
Equipment	17,290	(3,406)	13,884	14,316	10.00%
	1,323,862	(324,571)	999,291	806,349	
Fixed Assets in course					
Locomotives	125,645		125,645	145,225	
Railcars	53,973		53,973	134,072	
Permanent track	297,021		297,021	191,802	
Road vehicles	623		623	51	
Other	92,668		92,668	138,465	
	569,930		569,930	609,615	
	8,264,859	(1,814,511)	6,450,348	6,011,955	

(In thousands of R$, except as otherwise indicated)

Summary of Fixed Assets operations:

	Balances on 12/31/10			Changes in 1Q11					Balances on 3/31/11		
Classes of Fixed Assets	Gross Cost	Accumulated Depreciatio	Net	Acquisitions	Additions not affecting	Write-offs	Transfers	Depreciation	Accumulated Cost	Accumulated Depreciatio	Net
Locomotives	1,522,582	(434,700)	1,087,882		6,254		53,274	(18,029)	1,582,110	(452,729)	1,129,381
Railcars	926,268	(267,740)	658,528		3,795		58,750	(5,302)	988,813	(273,042)	715,771
Track	2,751,124	(436,573)	2,314,551		9,001		145,747	(24,662)	2,905,872	(461,235)	2,444,637
Leasing	1,094,410	(288,061)	806,349		229,453			(36,510)	1,323,863	(324,571)	999,292
Fixed assets in progress	609,615		609,615	251,540	15,167		(307,635)		568,687		568,687
Other	830,795	(295,765)	535,030	11,401	5,200	(1,746)	49,864	(7,169)	895,514	(302,934)	592,580
TOTAL	**7,734,794**	**(1,722,839)**	**6,011,955**	**262,941**	**268,870**	**(1,746)**	**-**	**(91,672)**	**8,264,859**	**(1,814,511)**	**6,450,348**

In the period ended March 31, 2011, the amount of R$27,636 (R$52,449 on December 31, 2010) was capitalized as fixed assets in progress related to financial charges created by loans that financed such fixed assets. This transaction does not affect the cash flow. Financial cost of capitalization of interest on eligible fixed assets was 115.9% of CDI p.a..

Financial leasing and assets under constructions

The book value of fixed assets maintained as commitments for financial leasing agreements on March 31, 2011 was R$1,323,863 (R$ 1,094,410 on December 31, 2010). There were additions to fixed assets during the period valued at R$ 242,567 (R$ 202,255 on December 31, 2010) of items under leasing commitments and assets under construction, guaranteed by the goods named in the contracts, which did not affect the cash flow.

As described in note 16.1, financial leasing was classified under fixed assets and has been, in a consistent manner, depreciated according to criteria applicable to other fixed assets.

(In thousands of R$, except as otherwise indicated)

14. Loans and financing

	Annual Charges	Effective rate	Maturity	3/31/11	12/31/10
Parent Company					
In domestic currency					
Commercial Banks	107% of CDI	12.08%	Jul-15	203,931	209,416
Investments BNDES	TJLP+1.8%	7.80%	Quarterly/Monthly until June 2017	60,455	62,872
Commercial Banks	102% of CDI	11.43%	Aug-11	58,701	
In foreign currency (exchange variation linked to the US$, with swap to CDI)					
Swap transactions				(1,647)	(6,782)
Total Parent Company				**321,440**	**265,506**
Subsidiaries					
In domestic currency					
ALL Malha Sul				**1,465,497**	**1,477,480**
CCB	CDI + 1.25%	12.58%	Sep-15	339,147	329,173
	CDI + 1.23%	13.03%	Oct-14	109,680	106,488
Investments BNDES	TJLP + 2.5%	8.50%	Quarterly/Monthly until June 2017	261,711	272,127
	TJLP + 1.4%	7.40%	Quarterly until June 2020	257,204	257,077
	TJLP + 1.5%	7.50%	Quarterly/Monthly until June 2022	7,876	8,051
	TJLP + 1.8%	7.80%	Quarterly/Monthly until June 2017	132,699	138,007
BNDES (FINAME)	TJLP + 3.75%	9.75%	Jan-17	1,163	1,213
NCC	105.9% of CDI	11.89%	Jul-15	49,263	56,260
	107.0% of CDI	12.02%	Mar-13	199,413	204,683
NCE	102.0% of CDI	11.89%	Jul-13	75,991	73,920
NCE	101.13% of CDI	11.33%	Oct-12	31,350	30,481
ALL Intermodal					
Investments BNDES FINAME				**13,067**	**15,145**
	TJLP + 3.6%	9.60%	Quarterly/Annual until December 2013	13,067	15,145
ALL Malha Paulista				**284,169**	**304,377**
Investments BNDES	TJLP + 1.4% p.a.	7.40%	Quarterly/Monthly until June 2020	172,140	172,129
	TJLP + 1.5%	7.50%	Quarterly/Monthly until October 2022	4,961	4,961
	TJLP + 2.5%	8.50%	Quarterly/Monthly until October 2017	107,068	107,024
CG	IGP-M	IGP-M	Jan-23		20,263
ALL Malha Norte				**795,080**	**831,964**
Investments BNDES	TJLP + 1.5% p.a.	7.50%	Quarterly/Annual until September 2016	433,653	460,775
	TJLP + 3%	9.00%	Quarterly/Annual until January 2016	152,166	160,037
	TJLP + 2.71%	8.71%	Quarterly/Monthly until January 2029	162,569	162,474
	TJLP +1.4%	7.40%	Quarterly/Monthly until January 2020	46,692	46,672
	CDI + 1.5%	12.30%	Mar-11		2,006

(In thousands of R$, except as otherwise indicated)

Continued					
ALL Malha Oeste	**Annual Charges**	**Effective rate**	**Maturity**	**00/01/00**	**12/31/10**
Investments BNDES				**52,414**	**52,388**
	TJLP + 1.4%	7.40%	Quarterly/Monthly until June 2020	52,414	52,388
Terminal XXXIX					
				955	**1,272**
Investments BNDES	TJLP + 6%	12.00%	Quarterly/Annual until December 2011	955	1,272
				2,611,182	**2,682,626**
In foreign currency (exchange variation linked to the US$, with swap to CDI)					
ALL Malha Sul					
Swap transactions				906	605
ALL Malha Norte					
Swap transactions				3,876	7,537
ALL Malha Paulista					
Swap transactions				1,290	386
				6,072	**8,528**
Em moeda nacional					
ALL Malha Sul					
Swap transactions				4,506	6,638
				4,506	**6,638**
In foreign currency (exchange variation linked to the US$, with swap to CDI)					
ALL Argentina				**80,723**	**75,752**
Commercial Banks	17.00%	17.00%	Apr-11	1,271	1,394
Hipotecário	16.50%	16.50%	Oct-11	4,630	5,017
Itaú Buenos Aires	15.80%	15.80%	May-11	2,858	29,632
Pantagonia	14.75%	14.75%	Jul-11	6,047	6,372
Santander	15.20%	15.20%	Nov-11	12,221	12,708
Citibank	15.25%	15.25%	Mar-12	39,498	15,518
HSBC	16.00%	16.00%	Jan-12	14,198	5,111
Total subsidiaries				**2,702,483**	**2,773,544**
Total consolidated				**3,023,923**	**3,039,050**
Portion in the current liabilities				(463,651)	(385,523)
Portion in the long-term liabilities				2,560,272	2,653,527

(In thousands of R$, except as otherwise indicated)

Breakdown by maturity year of long-term liabilities:

	3/31/11
2012	295,347
2013	748,818
2014	567,532
2015	388,932
2016	170,944
As of 2017	388,699
Total	2,560,272

Abbreviations:

BNDES - Brazilian Development Bank
CDI - Interbank Deposit Certificate
FINAME - Financing Fund to Acquire Machines and Industrial Equipment
TJLP - Long-Term Interest Rate
CCB - Banking Deposit Certificate
NCC - Commercial Credit Note
CG - Working Capital
IGP-M - General Market Price Index

Loans, financing and debenture balances are stated at their net value, i.e., recognized as transactions initial expenses.

Loans and financings are guaranteed by promissory notes for the total financed amount considering the same agreed terms and conditions, except in case of financings of locomotives, wagons and trucks, which guarantee the financing.

The financing agreements with BNDES, allocated to investments are guaranteed pursuant to each contract, by bank surety, with a cost between 1.0% and 2.0% p.a. or by real guarantees (assets) and an escrow account.

When the Company contracts foreign currency loans, swap transactions are contracted for protecting the Brazilian real against the US dollar.

Some agreements have covenants establishing financial limits to the company. These limits are determined quarterly on the date of publication of the Quarterly Information based on consolidated data and are complied with.

The covenant Net Debt/EBITDA is calculated based on the consolidated net indebtedness (loans, financings and debentures deducted from cash and cash equivalents), divided by the consolidated EBITDA of the last four quarters. The amounts below are the covenant's maximum limit for the period:

Year	2011	2012	2013	2014	2015
Consolidated net debt/ Consolidated EBITDA	3.0	3.0	2.5	2.5	2.5

(In thousands of R$, except as otherwise indicated)

The covenant EBITDA/Financial Income is calculated based on the consolidated EBITDA of the last four quarters, divided by the Consolidated Financial Income. For purposes of determining the financial income in this covenant, only interest on debentures, loans/financings, hedge operations and exchange rate variation of its subsidiary abroad "ALL Argentina" are considered. The amounts below are the covenant's minimum limits for the period:

Year	2011	2012	2013	2014	2015
EBITDA/Consolidated financial income	2.00	2.00	2.00	2.00	2.00

Loan agreement covenants and penalties:

Loan agreements are directly linked to the determined financial limits because of their impact on net debt and financial result, which are items pertaining to the covenants.

As can be observed in the following table, the Company has been complying with the covenants.

	1Q10	2Q10	3Q10	4Q10	1Q11
Net debt/EBITDA	1.97	2.06	2.17	2.09	2.29
EBITDA/Financial income	2.61	2.83	2.97	3.22	3.10

Crossing the financial limits is considered an event of early maturity of Debentures, regardless the prior notice or judicial notices.

15. Debentures - consolidated

The issuance of the debentures from the parent company and its subsidiaries present the following balances:

						3/31/11		12/31/10	
Tranche	Date	Amount	Final Maturity	Annual Yield	Effective Rate	Current liabilities	Long-term liabilities	Current liabilities	Long-term liabilities
Parent Company									
5th issue	9/1/2005	199,050	9/1/2014	CDI + 2,40%	13.86%	3,900	195,840	7,333	198,501
6th issue	7/1/2006	550,570	7/1/2014	CDI + 2,40%	13.86%	150,993	409,472	171,145	406,810
7th issue - (i)	11/17/2009	5	10/2/2012	IPCA + 3%	8.79%		6		6
						154,893	605,318	178,478	605,317
Direct Subsidiaries									
ALL Malha Sul									
3rd issue	9/8/2008	166,666	7/31/2018	108% CDI	12.14%	4,397	158,571	16,420	158,571
ALL Malha Norte									
1st issue	7/1/1997	100,000	6/30/2016	TJLP + 1,5%	7.50%	29,389	224,084	34,221	224,085
2nd issue	4/10/2000	60,000	5/1/2015	TJLP + 4%	10.00%	11,046	38,662	10,781	43,121
3rd issue	1/14/2002	40,000	5/4/2015	TJLP + 4%	10.00%	7,082	24,785	6,911	27,644
6th issue	9/8/2008	166,666	7/31/2018	108% of CDI	12.14%	2,761	162,960	7,192	162,960
Debentures	7/1/1997	100,000	6/30/2016	% RL			81,329		80,961
						50,278	531,820	59,105	538,771
ALL Malha Paulista									
1st issue	9/10/2008	166,666	7/31/2018	108% of CDI	12.14%	2,761	162,960	7,192	162,960
						2,761	162,960	7,192	162,960
Consolidated						212,329	1,458,669	261,195	1,465,619

(i) At the Extraordinary General Meeting held on October 2, 2009, the Company's shareholders approved the 7th private issue of 10,750,000 subordinated debentures convertible into shares in the amount of up to R$1,300,750 on the issue date, with the assurance that there might be a partial placement of debentures in case the amount subscribed and paid up were at least R$350,000, according to the terms and conditions set forth in the Minutes to the Extraordinary General Meeting.

As per the Material Fact disclosed on November 17, 2009, 10,682,093 debentures were subscribed and paid up, with proceeds in the amount of R$1,292,533.

At the Board of Directors' meeting held on November 17, 2009, the directors ratified the increase in the Company's capital stock in the amount of R$1,292,528, by converting 10,682,050 debentures referring to the 7th issue. Out of this operation, forty-three debentures were not converted into shares and remain recorded in the liabilities.

Clauses of rescheduling, covenants and guarantees:

There is no rescheduling planned for any of the issues.

Covenants of the issues include the financial limits detailed in Note 14 "Loans and Financings" and are related to the Company's consolidated results. Failure to comply with these limits automatically causes early maturity.

Some issues of the Company and its subsidiaries rely on personal guarantee, which are observed in Note 19 "Transaction with Related Parties".

16. Leasing – consolidated

16.1 Financial leasing

The Company and its subsidiaries have lease agreements, mainly railcars and locomotives that, in the Management's opinion, are considered financial leasing.

The Company and its subsidiaries merged to the fixed assets the rights that have as purpose the assets aimed at the maintenance of the entity's activities, or that are exercised with this purpose, including those deriving from transactions that transfer to the entity the benefits, risks and control of these assets, regardless their ownership.

The incurred financial charges in the period were accounted for as financial expense. There were no initial costs to be capitalized, as well a contingent payments and subleases related to the respective agreements.

(In thousands of R$, except as otherwise indicated)

Balances of obligations related to Leasing agreements are as follows:

	3/31/11		12/31/10	
Assets	**Current Liabilities**	**Long-term Liabilities**	**Current Liabilities**	**Long-term Liabilities**
ALL Malha Sul				
Rail Cars	67,358	323,355	67,358	336,980
ALL Malha Norte				
Locomotives and rail cars	72,584	630,241	72,584	414,899
ALL Malha Paulista				
Locomotives and rail cars	108,143	101,183	99,412	104,868
	248,085	1,054,779	239,354	856,747

The future minimum lease payments in the terms of the financial leases and lease commitments, together with the present value of the minimum lease payments, are as below:

	Total future payments		
Assets	**Up to 1**	**From 1 to 5**	**Over 5**
ALL Malha Sul			
Rail Cars	96,852	402,009	36,321
ALL Malha Norte			
Locomotives and rail cars	105,413	462,505	178,984
ALL Malha Paulista			
Locomotives and rail cars	22,803	72,125	30,727
	225,068	936,639	246,032

Leasing agreements have many maturities, and the last one is dated July 2021. Amounts are annually restated by IGPM plus TJLP variation. Average CDI rate of 12.5% was used to adjust payments to present value.

	Present value of payments		
Assets	**Up to 1**	**From 1 to 5**	**Over 5**
ALL Malha Sul			
Rail Cars	90,953	275,411	15,886
ALL Malha Norte			
Locomotives and rail cars	99,324	326,493	84,303
ALL Malha Paulista			
Locomotives and rail cars	21,502	48,944	12,934
	211,779	650,848	113,123

(In thousands of R$, except as otherwise indicated)

16.2 Operating leasing

Payment of operating leasing (rentals) installments was recognized as expenses on a straight-line basis corresponding to the term of the respective contracts. These are vehicle rental contracts, application systems (software), railcars and properties. The Company and its subsidiaries do not have any contingent payment or sublease of the contracts executed.

		Total future minimum payments		
Assets		**Up to 1 year**	**From 1 to 5 year**	**Over 5 years**
Vehicles	(i)	1,872	832	None
Application systems	(ii)	1,422		None
Real estate	(iii)	688		None
		3,982	832	

(i) Vehicle rental agreements are due in 2 years (starting on April 1, 2010) and may be extended for the same period according to the interests of the parties. Prices are annually readjusted at IGP-M variation, as from April 2011.

(ii) Agreements for the Application System Use are effective for an undetermined maturity and may be annually renewed and adjusted.

(iii) Property agreements have annual maturity. Prices are annually readjusted at IGP-M variation.

17. Leasing and concessions - Consolidated

The Company and its subsidiaries record their Leasing agreements liabilities on a straight-line basis according to their maturity. The long-term amounts refer to amounts not paid due to discussions regarding the contract conditions and/or installments allocated during their grace period.

Balance payable of concessions is equivalent to the restated amount of the granting, net of payment made up to the balance sheet date.

	3/31/11		12/31/10	
	Current Liabilities	Long-term Liabilities	Current Liabilities	Long-term Liabilities
Leasing				
ALL Malha Sul	12,364	36,074	12,105	36,237
ALL Argentina	14,254		14,972	
ALL Malha Paulista		571,745		549,415
ALL Malha Oeste		452,997		435,403
Concession				
ALL Malha Sul	3,324	20,776	3,954	18,965
ALL Malha Paulista		49,108	2,806	44,123
ALL Malha Oeste		33,568	1,445	30,666
	29,942	1,164,268	35,282	1,114,809

(In thousands of R$, except as otherwise indicated)

The conditions for the leasing and concession agreements are the following:

	Leasing and concession agreements						
	Term (years)	Agreement amount	Amount paid on demand	Balance	Quarterly installments	Beginning of payment	Restatement index
Leasing							
ALL Malha Oeste	30	56,440	4,969	51,471	112	1/15/1998	IGP-DI + Interest 12% p.a.
ALL Malha Paulista	30	230,160	52,793	177,367	112	12/15/2000	IGP-DI + Interest 12% p.a.
ALL Malha Sul	30	202,112	82,032	120,080	112	1/15/1999	IGP-DI + Interest 12% p.a.
Concession							
ALL Malha Oeste	30	3,118	409	2,709	112	1/15/1998	IGP-DI + Interest 12% p.a.
ALL Malha Paulista	30	12,252	2,917	9,335	112	12/15/2000	IGP-DI + Interest 12% p.a.
ALL Malha Sul	30	10,830	4,510	6,320	112	1/15/1999	IGP-DI + Interest 12% p.a.

ALL Malha Sul - Lease amounts of the subsidiary ALL Malha Sul are appropriated on a straight-line basis under liabilities and results over the period of the respective agreement, accrued of IGP-DI variation and interest at agreed rates. Amounts relating to the grace period (1997 to 1999) have been restated and paid over the remaining concession period.

ALL Malha Paulista - On August 29, 2005, a partial spin-off between ALL – Malha Paulista and Ferrovia Centro Atlântica S.A. (FCA) was carried out, and FCA started being responsible for 35.6% of the total concession and lease amounts.

The subsidiary ALL Malha Paulista suspended the payment of the values related to its lease contract to RFFSA in 2005 –in liquidation, based on a legal injunction to make judicial deposits in the government's name. With the legal authorization obtained in 2007, these judicial deposits were called in and the Company has taken out bank guarantees to back the payment of the installments. For more details please see explanatory note 18.

Considering that ALL Malha Norte depends on ALL Malha Paulista's lines to continue its transportation operations, started in the states of Mato Grosso and Mato Grosso do Sul and ended in Santos (São Paulo state). ALL Malha Norte entered with ALL Malha Paulista, on January 10, 2006, into a Private Instrument of Guarantee Agreement, by which it made the court deposit in favor of ALL Malha Paulista, in the amount of R$111,943 (R$115,629 on December 31, 2010).

To comply with the investment agreement with shareholders, entered into on May 5, 2005, the demerger of the ALL Malha Paulista operations in the Bauru-Mairinque segment was set forth, and this operation starts being made by ALL Malha Oeste as from October 1, 2005, in view of the Memorandum of Understanding dated September 23, 2005.

ANTT approved the demerger of the operations by means of Resolution 1,010, published in the Official Gazette of the Federal Government on July 28, 2005.

ALL Malha Norte - On May 19, 1989, the direct subsidiary ALL Malha Norte entered with the Federal Government into a Concession Agreement for the establishment of a cargo rail transportation system, comprising the construction, operation, exploration and conservation of a railroad between Cuiabá (Mato Grosso state) and: a) Uberaba/Uberlândia (Minas Gerais state), b) Santa Fé do Sul (São Paulo State), c) Porto Velho (Rondônia state) and d) Santarém (Pará state). The term of this concession lasts 90 years, renewable for the same period and 10 years may be granted before the end of the contractual term.

(In thousands of R$, except as otherwise indicated)

The Agreement does not provide for payment obligations on the account of the Concession, however, it sets forth certain responsibilities for the Company, such as: a) not to make sub-concession, b) to submit to the permanent inspection of the Federal Government, c) compliance with rules, technical specifications and national standards of the Ministry of Transportation and d) to comply with all the legal provisions applicable to the granted services, especially those related to environment protection.

The concession extinguishment and the consequent termination of the Concession Agreement may take place due to the following factors: a) amicable covenant of the parties, preceded by negotiations and financial adjustments due by one party to another; b) end of the contractual term; c) expropriation or redemption, by public interest in connection with the Concession, by means of the proper indemnification; d) annulment for illegality of the Concession or agreement; e) severe and continued infractions made by one of the parties, which cause damages to the quality and efficiency of the services; and f) by expropriation by the Federal Government of the granted services or by a Law that makes the agreement, formally or materially, impossible. In the event of expropriation the Company's shareholders will be indemnified by the fair value of the assets linked to the concession, determined at the time of the expropriation.

ALL Malha Oeste - Due to a judicial discussion, this direct subsidiary cancelled the concession and lease payment. The quarterly installments are guaranteed by bank surety at their maturity date.

18. Court deposits and provision for lawsuits – consolidated

			Contingencies			
	Court deposits		Probable		Possible and remote	
	3/31/11	12/31/10	3/31/11	12/31/10	3/31/11	12/31/10
Labor claims						
In Brazil	215,763	203,049	146,994	143,202	940,350	871,067
Civil, regulatory and environmental claims						
In Brazil	137,835	135,205	23,776	23,776	516,008	516,008
In Argentina			5,714	5,800		
Tax claims						
In Brazil	9,856	9,761	30,864	30,526	1,032,419	1,006,060
	363,454	348,015	207,348	203,304	2,488,777	2,393,135

	12/31/10	Additions	Write-offs	Reversals	3/31/11
Labor claims	143,202	26,889	(21,363)	(1,734)	146,994
Civil, regulatory and environmental claims	29,576		(86)		29,490
Tax claims	30,256	477	(117)	(22)	30,864
Total	**203,304**	**27,366**	**(21,566)**	**(1,756)**	**207,348**

The subsidiaries are involved in various proceedings incurred in the normal course of their businesses. The Company's management believes that the solution of such issues shall not produce an effect significantly different from the amount provisioned, which corresponds to the amounts of lawsuits considered "probable losses".

a) Labor contingencies

The subsidiaries discuss several labor claims, and on March 31, 2011 the Company recorded a provision of R$146,994 (R$143,202 on December 31, 2010), in the consolidated, to deal with those cases which are deemed as probable losses. The provisioned amount reduction, in relation to previous period, was basically due to the agreements executed by the Company.

From the lawsuits in progress, major claims refer to overtime, recognition of nonstop work shift, standby hours, salary differences, differences in FGTS 40% fine deriving from understated inflation, risk premium, health hazard allowance, allowance for relocation, differences of variable compensation, additional payment of retirement and others.

b) Civil, regulatory and environmental lawsuits

Civil

The subsidiaries are parties to various civil lawsuits involving petitions, action for damages in general, such as: collisions in level crossings, rail running over, traffic accident, possessory actions in general, execution suit of extrajudicial bonds and others. Based on the opinion of its legal advisors and the courts standing, they keep records for the probable losses.

Regulatory

Among the relevant lawsuits, currently, both ALL Malha Paulista and ALL Malha Oeste question in court the economic and financial unbalance of the Lease and Concession Agreements.

In July 2000, ALL Malha Paulista filed a Declaratory Action in the 20th Federal District Court of Rio de Janeiro questioning the economic and financial unbalance of the Lease and Concession Agreements, due to the high disbursement incurred by the Company for the payment of labor judicial proceedings and other expenses involved, which are under RFFSA's responsibility.

ALL Malha Paulista required an expert inspection for determination of the new value of the lease and concession installments, as well as discontinuance of the payment of due and falling due installments until the effective expert inspection for determination of the adequate value. In July 2005, the injunction was granted, but in September 2005, it was reversed by the Regional Federal Court of Rio de Janeiro. The proceeding still has no judgment and awaits the final conclusion of expert report and its presentation. The value related to the lease installments was being deposited in court until September 2007, when the Company obtained a judicial authorization to replace the judicial deposits for a banking guarantee letter.

ALL Malha Oeste, it is claiming the reestablishment of the economic-financial balance, lost due to the cancellation of transportation agreements at the time of privatization. The proceeding is in progress in the 16th Federal District Court of Rio de Janeiro. The amount related to installments due of ALL Malha Oeste is posting bond through the issue of government bonds (Treasury Financial Bills – LFT). The referred LFT's are recorded under long-term investments. In March 2008, the Company was authorized to replace the collateral by bank guarantee and, in May 2008, the Company redeemed such investment.

The liabilities related to concession agreements are recorded in the lease and concession account, as disclosed in Note 17.

Environmental

Such values result from notices from IAP (Paraná state), CETESB (São Paulo state), IBAMA, and Municipal Offices for Environment in great majority due to the contamination of the soil and water due to the overflow of products and non-compliance with the conditions imposed by such operating license. In all cases, measures are being adopted to reduce the existing liabilities, as well to remedy and prevent damages to the environment. The environmental area provision is accounted for along with the civil provision of concessionaires.

c) Tax contingencies

The main discussions involving the tax area refer to "ICMS Exportação" (value-added tax on sales and services (ICMS) levied on the transportation of goods to be exported), different ICMS rates on interstate transportation and the levy PIS/COFINS on mutual traffic operations.

No provision was established for tax lawsuits whose chances of losses are deemed as possible or remote. For those considered as probable losses, a provision at the amount of R$30,864 (R$30,526 on December 31, 2010) was recorded.

<u>ICMS Exportação</u> - The State Treasury Department of São Paulo drawn up notices of infractions against ALL Malha Sul, current amounts of which total approximately R$46,667, due to non-payment of ICMS referring to the rendering of goods freight transportation services destined to exports and use of ICMS credits supposedly not authorized by law. In 2Q10, the first favorable decision was issued by the Court of Taxes and Charges of the State of São Paulo, in order to annul the requirement that ICMS be assessed on export operations. In the fourth quarter of 2010, one of the discussions shifted from the administrative area to the judicial, with the presentation of fiscal Motions to Stay Fiscal that preceded the offer of for a letter of surteyship to serve as a guarantee for the court.

ALL Malha Oeste received a tax deficiency notice referring to the same issue in the amount of approximately R$21,955. All the tax deficiency notices are currently under administrative discussion in the State of São Paulo. It is worth pointing out that the superior courts (STJ) have already established that ICMS tax should not be levied on the transportation of goods to be exported, pursuant to the provision in Article 155 of the Federal Constitution.

ALL Malha Norte filed an Action for Annulment of tax debit, taking into consideration that the company was sued for not paying ICSM on the transportation of goods destined abroad, considering the amount involved of R$14,817. In the last quarter of 2010, the State Tribunal of Mato Grosso confirmed the first instance decision annulling the record of infraction entirely, and this decision led to a favorable ruling for ALL Malha Norte in December 2010. The High Court Judges understand that ICMS is not due on the transport of goods destined for export after delivery at ports, which reduced the contingency by R$ 14,817.

<u>ICMS on fixed assets credit</u> – In April 2005, ALL Malha Sul obtained a favorable decision in the State Court of Rio Grande do Sul regarding the tax deficiency notice issued by the Rio Grande do Sul State Department against the Company for its benefiting from ICMS credit on acquisition of goods and equipment intended for recovery and renovation of fixed assets. The Rio Grande do Sul state filed an Extraordinary Appeal against this decision, which is awaiting a decision from the Supreme Court. The amount of the tax deficiency notice is approximately R$20,017, of which ALL has already paid to the Rio Grande do Sul public treasury the amount of R$11,192 and has suspended the payment of the outstanding balance of R$8,825 as a result of the aforementioned favorable decision of the State Court of Rio Grande do Sul, which has already been ratified by the Superior Courts. Additionally, Supplementary Law 87/96 has authorized the full benefit from the credit when acquiring fixed assets.

Isolated Fee COFINS – ALL Malha Sul received a tax assessment notice in the amount of R$64,000, for COFINS offset arising from credits calculated based on a final and unappealable legal decision in favor of ALL Malha Sul (in the scope of lawsuit 1999,61,00024508-0/SP). As the Federal Government filed a motion for relief against the aforementioned lawsuit, the Federal Revenue Service ignored the final and unappealable decision and considered the offsets as non-declared, claiming a violation of paragraph 12, article 74 of Law 9,430/96. In the trial court, a Federal Revenue Office annulled the fee charged, clarifying that at the time of the respective offsets, ALL Malha Sul had a final and unappealable decision without any legal impediments that prevented the respective offsets; the Federal Revenue Service itself allowed, upon decisional order, the administrative proof of claim.

PIS/COFINS – Mutual Traffic – ALL Malha Paulista was notified for not paying PIS and COFINS in relation to the mutual traffic and right of way revenues, and is challenging in court the amount of R$50,100, in the period from 1999 to 2006 (cumulative PIS and COFINS). The company understands that the chance of loss is remote, once the amounts under discussion have already been paid, previously, by the concessionaries responsible for the transportation in the origin. Decisions issued up to the present date have already reduced the number of notices in approximately R$17,000.

IRPJ/CSL, PIS and COFINS – ALL Malha Sul was charged R$620,383 for excluding interest on financial investments made in Austria and Spain, and for loan expenses considered non-deductible, from their calculations. Tax authorities also issued tax assessment notices for PIS and COFINS taxes on hedge operations intended to guarantee foreign loans. The Company believes that the probability of loss is remote since these financial investments were made in countries with which Brazil has signed treaties to ensure that taxes are indeed levied on such operations; in addition, the PIS and COFINS taxes on swap operations were not levied pursuant to Decree No. 5442/2005. In March 2011, ALL Malha Sul was aware of the Trial Court decision (Federal Revenue Office), which reduced the tax assessment notice amount to R$335,913. ALL Malha Sul filed voluntary appeal, which is waiting judgment of Taxpayers Council.

IPTU – ALL Malha Sul and ALL Malha Paulista have approximately R$3,656 thousand related to IPTU levied on the Federal Government’s properties, which, due to the concession granted, are held thereby with the purpose of providing railroad transportation public services. However, the Federal Constitution sets forth that there is no tax levy on Federal Government's assets and the Company already has several favorable decisions. In the first quarter, a favorable decision was achieved in relation to notices to the City of São Vicente and Colina, reducing the liabilities in approximately R$8,500.

ISS – Portofer received two tax deficiency notices in the amount of R$2,644, in view that the city of Santos disregarded the judicial figure of Portofer (special purpose company with the purpose of apportioning expenses among the concessionaires) and issued a notice to the Company as municipal service provider. The company considers the possibility of losing as remote, as it is a matter upon which a favorable decision has already been issued by the Supreme Court of the state of São Paulo in similar cases concerning the city of Guarujá, to determine the annulment of tax assessment notices, since Portofer is a non-profit organization but it conducts the expenses apportionment.

IRPJ/CSLL –ALL Intermodal received a tax deficiency notice, in November 2010, by the Federal Revenue in the amount of R$52,772 referring to Corporate Tax Income and Social Contribution Tax. This amount was obtained from the disallowance of expenses as a result of the payment of variable installments of the lease agreement of property, equipment, machines and vehicles that ALL Intermodal entered into. These expenses were not considered as tax deductible and for that reason they were not disallowed by the Revenue. The Company considered the risk of this tax deficiency notice as remote, since the lease agreement was necessary and usual to ALL Intermodal’s activities.

(In thousands of R$, except as otherwise indicated)

19. Related-Party Transactions

Companies considered related parties are disclosed in note 3 a).

	Parent Company							
	Long-term assets		Long-term liabilities		Revenues		Expenses/Costs	
	3/31/11	12/31/10	3/31/11	12/31/10	3/31/11	12/31/10	3/31/11	12/31/10
Subsidiaries								
ALL Argentina	55,112	43,941	5,468	5,299		38,198		
ALL Armazéns Gerais		257	2,905	14,546				
ALL Centro-Oeste	22			359				
ALL Equipamentos	13							
ALL Intermodal				4			15	13
ALL Malha Norte	12,974		12,974	5,994				
ALL Malha Oeste			287	357				
ALL Malha Paulista				4	14,504	44,119		9
ALL Malha Sul	126			67		94		
ALL Overseas	171	175						
ALL Participações			11	6				
ALL Rail Tec	3,261							
ALL Serviços			2,179				166	
Santa Fé	2,605	1,953						
Associated companies								
PGT			77	77				
	74,284	46,326	23,901	26,713	14,504	82,411	181	22

Terms and conditions for related-party transactions

All related-party transactions are conducted strictly under agreed commutative conditions and with proper payments.

The Company's transactions with related parties are of an operational and financial nature, arising from renting terminals, rolling stock (locomotives and wagons), machinery and equipment, warehouses, freight pallets, as well as financial resources, necessary to maintain the Company's operations.

The outstanding balances at the end of the financial period are free of interest and some transactions have no expiry date, and the liquidation made within the financial year is always in cash or through account balancing.

There is no insurance cover for transactions with related parties.

In the financial period ending on March 31, 2011, there were no contingencies for receivables related to debits with related parties. This evaluation is made every period, examining the financial position of the related parties and the operating market of each. The Company has made no provision for doubtful debt on the existing outstanding balances.

(In thousands of R$, except as otherwise indicated)

The contracts with related parties are listed below:

Related party	Relation with issuer	Date of transaction	Contracted object	Amount (R$ thousand)	Balance on 3.31.11 (R$ thousand)	Term	Termination
Parent Company with Subsidiaries:							
América Latina Logística Mesopotâmica S.A.	Indirect Subsidiary	11/11/09	Freight share	1,124	-	12/20/11	Total or partial delinquency
América Latina Logística Mesopotâmica S.A.	Indirect Subsidiary	11/11/09	Freight share	5,106	-	12/20/11	Total or partial delinquency
América Latina Logística Argentina S.A.	Subsidiary	9/26/1983	Mutual traffic operations	-	-	Undetermined	Breach of contract
América Latina Logística Central S.A.	Indirect Subsidiary	11/11/09	Freight share	5,114	-	12/20/11	Total or partial delinquency
América Latina Logística Central S.A.	Indirect Subsidiary		Right of way	1,000	-	01/01/23	Breach of contract
América Latina Logística Central S.A.	Indirect Subsidiary	2010 sundry	Foreign loan agreements	24,360	22,917	2012 sundry	Total or partial delinquency
América Latina Logística Central S.A.	Indirect Subsidiary	2011 sundry	Foreign loan agreements	10,370	10,180	2013 sundry	Total or partial delinquency
América Latina Logística Malha Paulista S.A	Subsidiary	01/03/08	Lease of locomotives	102,900	39,503	3/1/2013	Non compliance with contract, bankruptcy, wind-up or court recovery
América Latina Logística Malha Paulista S.A	Subsidiary	01/03/08	Lease of railcars	61,440	23,587	3/1/2013	Non compliance with contract, bankruptcy, wind-up or court recovery
América Latina Logística Malha Sul S.A	Subsidiary	8/12/2005	Assignment of equipment installation in Santa Maria	-	-	3/1/2027	End of concession or undue use of real estate property
América Latina Logística Malha Sul S.A	Subsidiary	9/16/2010	Lease of locomotives	7,494	7,494	9/16/2015	Non compliance with contract, bankruptcy, wind-up or court recovery
América Latina Logística Mesopotâmica S.A.	Indirect Subsidiary	11/11/09	Freight share	1,185	-	12/20/11	Total or partial delinquency
América Latina Logística Mesopotâmica S.A.	Indirect Subsidiary		Right of way	1,000	-	01/01/23	Breach of contract
América Latina Logística Mesopotâmica S.A.	Indirect Subsidiary	2010 sundry	Foreign loan agreements	9,660	7,969	2012 sundry	Total or partial delinquency
América Latina Logística Mesopotâmica S.A.	Indirect Subsidiary	2011 sundry	Foreign loan agreements	2,074	2,040	2013 sundry	Total or partial delinquency
ALL - América Latina Logística Rail Tec	Subsidiary	11/01/11	Loan agreements	3,500	3,641	6/11/2012	Total or partial delinquency
Between Subsidiaries:							
América Latina Logística Malha Paulista S.A and América Latina Malha Sul S.A.	Subsidiary	01/01/09	Share of assets and use of railroad infrastructure, right of way and mutual traffic	-	-	2/28/2027	Non compliance with contract, bankruptcy, wind-up, court recovery, court and/or administrative order and change of shareholding control of parties
América Latina Logística Malha Paulista S.A and América Latina Logística Malha Oeste S.A.	Subsidiary	01/01/09	Share of assets and use of railroad infrastructure, right of way and mutual traffic	-	-	6/30/2026	Non compliance with contract, bankruptcy, wind-up, court recovery, court and/or administrative order and change of shareholding control of parties
América Latina Logística Malha Norte S.A and América Latina Logística Malha Paulista S.A.	Subsidiary	01/01/09	Share of assets and use of railroad infrastructure, right of way and mutual traffic	-	-	31/12/28	Non compliance with contract, bankruptcy, wind-up, court recovery, court and/or administrative order and change of shareholding control of parties
América Latina Logística Malha Sul S.A and América Latina Logística Malha Oeste S.A.	Subsidiary	01/01/09	Share of assets and use of railroad infrastructure, right of way and mutual traffic	-	-	2/28/2027	Non compliance with contract, bankruptcy, wind-up, court recovery, court and/or administrative order and change of shareholding control of parties
ALL América Latina Logística Serviços Ltda. and others	Subsidiary	9/15/2010	Administrative service agreement	-	-	10/15/2011	Non compliance with contract, bankruptcy, wind-up or court recovery; Total or partial delinquency
Brado Logistica e Participações S.A. and others	Subsidiary	12/20/2010	Railroad transporation services and investments	-	-	Term of Concession Agreements	Non compliance with contract, bankruptcy, wind-up or court recovery; Total or partial delinquency
Brado Logistica e Participações S.A. and others	Subsidiary	12/20/2010	Assignment of terminals for provision of container services	-	-	Term of Concession Agreements	Non compliance with contract, bankruptcy, wind-up or court recovery; Total or partial delinquency
Subsidiaries with Associated Companies:							
América Latina Logística Malha Norte S.A							
Boswels S.A.	Jointly-controlled subsidiary	12/22/2009	Operating lease agreement of aircraft	972	486	12/22/2011	Non compliance with contract, bankruptcy, wind-up, court recovery, court and/or administrative order and change of shareholding control of parties
América Latina Logística Malha Paulista S.A							
Santa Fé Vagões	Jointly-controlled subsidiary	11/1/2006	Cooperation Agreement of an 18,784.90 m^2 area - Campinas-SP	-	-	Term of Concession Agreements	Non compliance with contract, bankruptcy, wind-up, court recovery, court and/or administrative order and change of shareholding control of parties
América Latina Logística Sul S.A							
Boswels S.A.	Jointly-controlled subsidiary	11/7/2007	Operating lease agreement of aircraft	1,554	777	11/7/2011	Non compliance with contract, bankruptcy, wind-up, court recovery, court and/or administrative order and change of shareholding control of parties

Additionally, subsidiary ALL Malha Norte maintains a debenture operation with BNDES Participações S.A., a shareholder of ALL Holding, remunerated at market interests, in the amount of R$334,802 thousand as of March 31, 2011, which is due in June 2016.

(In thousands of R$, except as otherwise indicated)

There are some guarantees provided or received between related parties, creditor or debtor as follows:

	Secured					
	ALL S.A.	**Sul**	**Intermodal**	**Paulista**	**Norte**	**Total**
Guaranteeing parties						
ALL S.A. (Parent Company)						
Debentures		174,421		174,421	174,421	523,263
BNDES		418,466		114,480	620,812	1,153,758
CCB		805,939				805,939
Outros			2,952		88,457	91,409
		1,398,826	2,952	288,901	883,690	2,574,369
ALL Malha Sul						
Debentures	793,548					793,548
ALL Intermodal						
Debentures	793,548					793,548
CCB		331,954				331,954
	793,548	331,954				1,125,502
Total	1,587,096	1,730,780	2,952	288,901	883,690	4,493,419

The Company adopts practices of corporate governance recommended and/or required by the applicable legislation, including as defined in the Regulation for Differentiated Practices of Corporate Governance – New Market (Novo Mercado), instituted by BM&FBOVESPA S.A. - Bolsa de Valores, Mercadorias e Futuros.

The decision about all the Company's operations is submitted to Management, the Board or Fiscal Council, depending on the job descriptions defined in the Company's bylaws. As such, all operations, particularly those with related parties, were duly submitted to the Company decision makers and were subordinated, as per the existing rules. Furthermore, in accordance with Law 6,404/76, any member of the Company's Board of Management is prohibited from voting at any meeting, or taking part in any business operation in which there may be conflicts of interest with those of the Company.

20. Provision for unrealized profit

On December 31, 2001, the parent company sold to the subsidiary ALL Malha Sul the right to use the segments from Presidente Epitácio to Rubião Junior and from Pinhalzinho/Apiaí to Iperó at the market value of R$22,387, supported by an appraisal report prepared by independent experts as of that date. On December 31, 2001, the parent company established a provision of R$19,312 for unrealized profit from this operation, recorded in long-term liabilities. Up to March 31, 2011 the amount of R$6,880 (R$6,695 up to December 31, 2010) was realized.

(In thousands of R$, except as otherwise indicated)

21. Advances on real estate credits (CRI) - consolidated

The Company and the subsidiary ALL Malha Norte executed agreements assigning credits from the lease of terminals, whose balances are:

		3/31/11		12/31/10	
		Current liabilities	Non-current assets	Current liabilities	Non-current assets
ALL S.A. (Parent Company)	(i)	29,968	69,769	29,968	73,374
ALL Malha Norte	(ii)	121,643	382,614	121,643	393,026
		151,611	452,383	151,611	466,400

The balance is composed of two CRI operations:

(i) CRI I: On February 29, 2008 the Parent Company entered into a credit assignment agreement resulting from rental of Terminal Intermodal de Tatuí. CIBRASEC, on its turn, issued Real Estate Receivables Certificates (CRIs), which bear compensatory interest of 12.38% per annum, from the issue date up to the date of maturity of each CRI. The terms and maturity dates are fixed; the first CRI matured in March 2009, and the last one matures in 2018. The operation's financial charges are being apportioned monthly to income.

(ii) CRI II: On November 28, 2008, ALL Malha Norte entered into an agreement with CIBRASEC assigning credits deriving from the lease of Alto Araguaia Terminal– Mato Grosso state. CISBRASEC, on its turn, issued Real Estate Receivable Certificates (CRIs) which will bear compensatory interests based on CDI + 2.6% p.a., as of the issue date up to the maturity date of each CRI. The terms and maturity dates are fixed, and the first one matured in November 2009 and the last one will mature in 2018. Financial charges of the operation are monthly appropriated to income.

22. Deferred income - Consolidated

		3/31/11		12/31/10	
		Current liabilities	Non-current liabilities	Current liabilities	Non-current liabilities
Subsidiaries					
ALL Intermodal	(i)	34	463	34	471
ALL Malha Norte	(ii)	1,528	12,451	1,528	12,834
ALL Malha Paulista	(iii)	858	13,998	858	14,212
ALL Malha Sul	(iii)	191	2,729	191	2,777
		2,611	29,641	2,611	30,294

(i) This refers to the deferred income originated in the capital stock payment by means of land granted under loan for use (up to 2025) by ALL Intermodal to Rhall Terminais Ltda., appropriated on a straight-line basis over the remaining concession period.

(ii) It comes from the earned revenue on the sale of 28 locomotives, with subsequent celebration of a lease-back agreement with Itaú Bank, expiring in 2018.

(In thousands of R$, except as otherwise indicated)

(iii) This results from agreements entered into with communication companies, whose purpose is the assignment of the right of way of the track for the passage of optical fiber cables for the effectiveness period of the Concession Agreement of the Public Service of Cargo Rail Transportation (until 2028), appropriated on a straight-line basis to the result for the remaining term of the assignment of right.

23. Tax and Social Security Installments - Consolidated

	3/31/11		12/31/10	
	Current liabilities	**Non-current liabilities**	**Current liabilities**	**Non-current liabilities**
Law 11,941/09	14,639	182,985	14,256	181,766
Senai			146	
Sesi			184	
Financial education aid	359		231	
ISS	1,540	1,872	1,776	2,000
INSS	1,053		1,092	
ICMS / IVA		4,806		4,806
	17,591	189,663	17,685	188,572

Aiming to reduce their tax exposure, the Company and its subsidiaries joined the Debt Installment Program of the Office of the National Treasury Attorney-General and Federal Revenue Service set forth by Law 11,941/09 in the 4th quarter of 2009.

Up to this date, this installment program has not been ratified yet. Note that in order to comply with payment conditions set forth in the program, it is mandatory to regularly pay installments in question, which have been duly paid so far.

(In thousands of R$, except as otherwise indicated)

24. Shareholders' equity

a) Capital stock

The Company's subscribed and paid-up capital stock is represented as follows:

	3/31/11	12/31/10
Common	689,122,312	689,122,312
	689,122,312	689,122,312

The Company is authorized to increase its share capital, independent of statutory reform, up to a limit of 820,000,000 ordinary shares (common stock).

In an Extraordinary General Meeting held on September 9, 2010, shareholders in the Company, with the authorization of ANTT as stated in Resolution 3,563, of August 12, 2010, approved the Company's classification in the special segment in the BM&F Bovespa stock exchange, called the Novo Mercado. As a result of this decision and the rules established for inclusion in the Novo Mercado, share capital can only consist of one class of share (ordinary), at a ratio of 1 (one) preference share to 1 (one) ordinary share, including the preference shares in certificates of deposits for shares issued by the Company – *Units* – which were thus cancelled. After this share conversion, an additional conversion of 5 (five) ordinary shares for 1 (one) ordinary share was implemented. The Company's share capital now consists of 687,502,312 ordinary shares.

On December 22, 2010, a share capital increase of R$ 24,170 was ratified at a Management Board meeting, through the issuance of 1,620,000 ordinary shares.

b) Shares held in Treasury

As described in the previous item, shares in the *Units* were converted into ordinary shares.

Up to March 31, 2011, 67,209 shares (1,753,788 shares on December 31, 2010) were used to settle the stock options exercised in the period. The transfers were registered at the average weighted cost of the shares held in treasury (R$16.76).

In the first quarter of 2011, the Company did not buy back any shares; however, during the year of 2010, the Company has purchased 64,560 shares at a total cost of R$358.

On March 31, 2011, the Company held 503,935 common shares in Treasury.

c) Distribution of dividends and interest on own capital

Shareholders are assured a minimum mandatory dividend of 25% on the adjusted net income in accordance with Article 202 of Law 6,404/76, amended and revoked by Law 11,638 as of December 28, 2007 and by Law 11,941 as of May 27, 2009.

d) Profit reserve

Pursuant to Brazil's corporate law, the legal reserve is established at 5% of net income for the year, prior to any other appropriations, and shall not exceed 20% of capital stock.

The investment reserve is based on statutory provisions, which are supported by the Company's investment plan by means of uses and sources subject to the Board of Directors, and pursuant to Article 194 of Law 6,404/76, which determine that this reserve shall not exceed subscribed capital stock, at an amount not less than twenty-five percent (25%) and not exceeding seventy-five per cent (75%) of the net income for the year adjusted in accordance with Article 202 of Law 6,404/76, with a view to financing the expansion of the Company's and its subsidiaries' activities, also through the subscription of capital increases or the development of new ventures.

e) Advances for future capital increase

The amounts received as advances for future capital increase, resulting from contributions to the Stock Option Plan, described in Note 25, are presented in a Shareholders' Equity account.

f) Tax incentives – SUDAM

On September 26, 2007, ALL - Malha Norte filed with the Superintendence for the Development of the Amazon – SUDAM a lawsuit claiming the right to reduce the corporate income tax – IRPJ and non-refundable surcharges verified over the exploration income, since it is located in the area which comprises the Legal Amazon and its transportation sector considered as a priority for the regional development according to Item I, article 2 of Decree 4,212 of April 26, 2002.

The benefit was granted by the Internal Revenue Service through Executive Declaratory Act 504 of November 28, 2008, after SUDAM having issued the report 135/2008, in which ALL Malha Norte was granted the tax benefit of 75% reduction over IRPJ and non-refundable surcharges over the exploration income for a 10-year term, as of 2008 and expiring in 2017.

The legal basis for the recognition of the benefit was enacted by Provisional Measure 2,199-14 in its article 1, of August 24, 2001 and wording set forth in Law 11,196 of November 21, 2005. The effect of the 75% reduction over IRPJ and non-refundable surcharges calculated over the exploration income was R$13,078 (R$14,479 on March 31, 2010), accounted as write-down to Income Tax and Social Contribution expenses of subsidiary ALL Malha Norte according to CPC 07 of the Accounting Pronouncements Committee approved by CVM Resolution 555 of November 12, 2008.

Tax incentive is related to the Company's purpose of increasing and maintaining investments in the Legal Amazon region, fostering the development of that region, increasing the employment, income and production levels; thus also contributing with the increase in the collection of Municipal, State and Federal taxes.

If the beneficiary company fails to comply with purposes of the project and its clauses, which may characterize a misuse of Funds, this will lead SUDAM's Decision-making Council to cancel approved incentives; and the beneficiary company to pay the operator Bank Banco the amounts received, restated at the same rate adopted for federal taxes, as of the date of receipt, plus 10% fine and monthly interest on arrears of 1%; and if funds are invested as debentures, the installments already paid will be deduced (Law 8.167/91, article 12, paragraph 1, item I and II, the latter including the wording as set forth by Provisional Measure 1,740-31, as of May 6, 1999).

The Company informs that conditions related to incentives are being duly complied with and there are no other contingencies referring to said incentive.

25. Share-based compensation

Expenses from services received from employees in the periods, arising from share-based payments to be settled upon the delivery of equity instruments were R$7,650 on March 31, 2011 (R$5,104 on March 31, 2010).

Stock option plan:

At an Extraordinary General Meeting held on April 1, 1999, the shareholders approved the Company's Stock Option Plan ("Plan"), targeted at the management, employees and service providers of the Company ("Beneficiaries"). The Plan provides for general parameters among which we highlight:

The Plan is managed by the Board of Directors, or at its discretion, by a Committee made up for this purpose. It is incumbent upon the management body of the Plan, periodically, to create stock option programs, establishing, within the qualified individuals, those to whom options will be granted and the specific applicable rules, considering the general rules of the Plan ("Program").

The volume of stock options is limited to 5% of the shares representing the Company's capital stock existing on the date of approval of each Program.

The Programs may comprise two groups of beneficiaries, with different types of agreement, referred herein as "Agreement A" (equal for all programs) and "Agreement B" (included as from the 2006 Program).

In "Agreement A", the beneficiary must pay 10% of the share amount, at the moment of the execution of the agreement, as a condition to acquire, therefore, the right to make every year contributions for the acquisition of 18% of the total number of shares, so at the end of the 5^{th} year, the Beneficiary will have incorporated to his/her assets the right to make contributions for the acquisition of 100% of shares. The contribution amount (option price) is restated by the IGP-M variation.

Agreements B is different from Agreement A mainly in the following aspect:

(i) acquisition of the right to make the contributions for the acquisition of shares changes from 10% on the grant date and 18% in the following years, as in the Agreement A, to 10% on the grant date, 5% in the first year, 10% in the second, 15% in the third, 25% in the fourth and 35% in the fifth and last year. In case the beneficiary of Agreement B withdraws from the Company without cause, the Committee may, at its discretion, change the acquisition schedule of the right to make contributions for the acquisition of shares, to 18% per year, such as the schedule of Agreement A.

The call price is defined by the Committee based on the stock market price. The options granted have a limitation period of ten years as of the vesting right date.

The Plan neither provides for the assumption of settlement of options in cash, nor there is history of such practice by the Company, so that the options fair value is estimated on the grant date, by means of the Black-Scholes option pricing model, considering the relevant terms and conditions in which the options were granted.

(In thousands of R$, except as otherwise indicated)

The chart below shows the number and weighted average of strike price (MPPE) of the stock options and respective transactions during the period:

	1Q11		2010	
	Amount	MPPE	Amount	MPPE
Opening balance	10,126,175	12.55	11,946,564	11.10
New grants				
Lost	(8,519)	12.51	(186,600)	12.75
Exercised [1]	(67,209)	8.74	(1,633,789)	11.05
Closing balance	**10,050,447**	12.87	**10,126,175**	12.55

[1] The weighted average price of shares on the options exercise date was R$14.90 on March 31, 2011 (R$16.30 on December 31, 2010).

On August 3, 2009, the Stock Option Committee cancelled both 2007 and 2008 Programs, swapping the options which had not been exercised by the beneficiaries from these plans to a new 2009 Program, at the ratio of 9 to 5. Thus, for each 9 options of the cancelled tranches (2007 and 2008 Programs) the beneficiaries who had been affected received 5 options of the same type and class in the scope of the 2009 Program, originated on the same date, with the following features: (i) number of shares: 6,850,805 shares, from which 1.350.000 are common and 5,400,000 are preferred shares; (ii) price per share: R$ 2.20, equivalent to R$11.00 per Unit; (iii) acquiring the right to purchase shares restarts from zero (the terms related to the 2007 and 2008 programs are not taken into consideration); and (iv) 5-year period for acquiring the right to make contributions for purchasing shares, 20% p.a.

On March 31, 2011, the weighted average of remaining contractual term of remaining stock options is 6.64 years. On March 31, 2011, the maximum and minimum strike prices of these options are R$15.39 and R$4.71 respectively.

The Company accounts for the contributions, based on the individual controls of each beneficiary, as advance for future capital increase, composing the shareholders' equity and after the deliberation at the General Meeting, the amount is recorded as capital stock. For the specific case of contributions of 30% made for the acquisitions of options, the Company accounts for the capital increase as from the second reference date, in compliance with Law 6,404/76.

The chart below shows the assumptions included in the model used to estimate the additional fair value of the last granted options:

	2009
Expected volatility (%)	36.4%
Interest rate free of risk (%)	6% + IGPM
Expected term of the option (years)	5.5
Weighted average price of shares (R$)	11
Pricing model used	Black & Scholes

(In thousands of R$, except as otherwise indicated)

The expected life term of options is based on historical data and it is not necessarily an indicator of the exercise standard that must occur. The expected volatility reflects the assumption that the historic volatility of the 5 years previous to the grant date indicates a future trend, which cannot also be the actual result.

Restricted Share Options Program

At a meeting held on September 1, 2010, the Management Committee for Stock Option Plans approved the "restricted share options" program, which consists of the granting of options, equivalent to 3,000,000 shares, to a determined group of employees and Company management, on a non-transferable basis, the exercising of which is conditional cumulatively to maintaining the work relationship with the Company through to December 31, 2012, meeting individual operating targets and the success of the Company in reaching its EBITDA targets.

The options have no rights to dividends before they are exercised. The exercise term is six months from the acquisition period ending on 31/12/2012, at a price of R$0.01 per share. As the exercise price is close to zero, the fair value of the option is equivalent to the market value of the share on the date the program was authorized (R$16.50).

There were no further movements during the 2010 financial year in terms of the "restricted share options" program.

26. Net financial Income

	Parent Company		Consolidated	
	3/31/11	**3/31/10**	**3/31/11**	**3/31/10**
Interest on indebtedness /debentures/guarantees	(42,491)	(29,087)	(161,635)	(155,267)
Fines/tax interets/suppliers/locomotives	(808)	(356)	(44,064)	(38,537)
Interest on leasing and concession			(61,506)	(47,750)
Clients/AVP/Others	(402)	(846)	(549)	(6,900)
Total financial expense	(43,701)	(30,289)	(267,754)	(248,454)
Financial investmet income	24,699	25,137	46,000	59,163
AVP/Others	82	40	1,033	1,080
Total financial income	24,781	25,177	47,033	60,243
Net financial income	(18,920)	(5,112)	(220,721)	(188,211)

27. Full Financial Statements

In accordance with CPC 26 – Presentation of Accounting Statements, the Company provides the following results for the periods ending on March 31, 2011 and 2010.

	Parent Company		Consolidated	
	3/31/11	3/31/10	3/31/11	3/31/10
Net income for the year	515	35,048	515	35,048
Exchange variation on investment abroad	(727)	680	(727)	8,309
Mark-to-market on financial investment	1,488	5,049	1,488	(4,299)
Mark-to-market effect on hedge instruments	9,197	(8,007)	9,197	(5,139)
Reflex adjustments of Parent Company	5,558		5,558	
Total comprehensive income	**16,031**	**32,770**	**16,031**	**33,919**
Attributable to:				
Company's shareholders	17,160	33,524	17,160	34,673
Minority shareholders	(1,129)	(754)	(1,129)	(754)
	16,031	**32,770**	**16,031**	**33,919**

28. Earnings per Share

The following table establishes the calculation of earnings per share (in thousands, except values per share:

	Parent Company		Consolidated	
	3/31/11	3/31/10	3/31/11	3/31/10
Basic earnings per share				
Numerator				
Net income for the year attributed to Company's shareholders				
Per common share	515	35,048	515	35,048
Denominator (in thousands of shares)				
Weighted average number of common shares	676,865	675,230	676,865	675,230
Basic income:				
Per common share	0.0008	0.0519	0.0008	0.0519
Diluted earnings per share				
Numerador				
Net income for the year attributed to Company's shareholders				
Per common share	515	35,048	515	35,048
Denominator (in thousands of shares)				
Weighted average number of common shares	676,865	675,230	676,865	675,230
Dilution effect				
Stock options	13,050	10,490	13,050	10,490
Weighted average number of common shares adjusted by dilution effect	689,915	685,720	689,915	685,720
Diluted earnings:				
Per common share	0.0007	0.0511	0.0007	0.0511

(In thousands of R$, except as otherwise indicated)

29. Information per reporting segment

The information per business segment corresponding to periods as of March 31, 2011 and 2010 is as follows:

Financial Income per Business Unit										
Description	Agricultural Commodities		Industrial Products		Road Services		Argentina		Total	
	3/31/11	3/31/10	3/31/11	3/31/10	3/31/11	3/31/10	3/31/11	3/31/10	3/31/11	3/31/10
Gross revenue	480,957	449,224	218,073	207,484	25,155	24,062	37,107	32,266	761,292	713,036
Net revenue	419,994	397,291	183,364	176,523	21,682	20,877	36,122	31,452	661,162	626,143
Cost of services rendered	(224,112)	(201,594)	(116,288)	(109,757)	(19,836)	(19,157)	(35,595)	(30,734)	(395,831)	(361,242)
Gross profit	195,882	195,697	67,076	66,766	1,846	1,720	527	718	265,331	264,901
EBIT	169,274	171,449	55,596	55,567	384	421	(3,550)	(3,318)	221,704	224,119

The Company is organized into business units, based on the main market sectors in which it operates. The Company's operations are divided into five business units, four for Brazilian operations and another responsible for Argentine operations. The three business units in Brazil are:

(i) agricultural commodities, comprising of the transport of products such as soybeans, soy meal, fertilizers, sugar, corn, wheat, rice, among others.

(ii) industrial products (rail and intermodal transport) refers to transport of steel products, wood, paper, pulp, food, containers, fuels, vegetal oil, products for civil construction, among others.

(iii) the highway transport unit includes products with *high* maltose, gases and auto parts.

The performance in the different segments is evaluated based on the operating margin, which as shown in the table above differs from the figure presented in the consolidated quarterly financial information.

The Company's financing and financial applications (including financial revenues and expenses) and taxes on income are managed on a consolidated basis, and not allocated to different operating segments.

30. Other revenues / expenses and adjustments

30.1. Other operational expenses

	Parent Company		Consolidated	
	3/31/11	3/31/10	3/31/11	3/31/10
Sale of fixed assets			4,418	1,623
Reversal of allowance for doubtful debts		11,106	2,310	11,106
Other	334	235	133	2,785
Total	**334**	**11,341**	**6,861**	**15,514**

(In thousands of R$, except as otherwise indicated)

30.2. Other operating expenses

	Parent Company		Consolidated	
	3/31/11	3/31/10	3/31/11	3/31/10
Customs rates	12	7	187	364
Fuels not consumed in the operation			208	13
Deductible donations			99	59
Write-off of fixed assets	1,746			
Other	55		174	620
Total	**1,813**	**7**	**668**	**1,056**

30.3. Depreciation, amortization, maintenance, fuels and leasing and concessions included in the consolidated financial statements

	Parent Company		Consolidated	
	3/31/11	3/31/10	3/31/11	3/31/10
Fuel			113,202	115,224
Outsourced services	1,448	4,377	56,299	41,983
Depreciation and amortization of intangible assets	999	762	92,772	83,740
Goodwill amortization	10,947	8,068	11,238	8,398

30.4. Net Revenue

	Parent Company		Consolidated	
	3/31/11	3/31/10	3/31/11	3/31/10
Gross revenue	35,634	15,546	761,292	713,036
(-) Deductions (taxes, discounts and cancellations)	(3,340)	(1,190)	(100,130)	(86,893)
Net revenue	**32,294**	**14,356**	**661,162**	**626,143**

(In thousands of R$, except as otherwise indicated)

31. Insurance – consolidated

On March 31, 2011, the insurance coverage established by the Company's Management to cover possible losses and civil liability, is summarized as follows:

Line of Business	Coverage by event	Sum Insured		Duration
Rail operating risks	Property - property damage and loss of profits	R$	60,000	8/01/2010 to 8/01/2011
Civil liability - rail operations	Operations, pollution, employer, vehicles (contingencies) and port	R$	10,000	4/30/2010 to 4/30/2011
Insurance for rail freight	Civil liability of the rail freight carrier (RCTF-C); rail risk (RF) – per shipment	R$	2,200	6/30/2010 to 6/30/2011
Civil liability - trucks	Damages to third parties on domestic routes	R$	300	11/13/2010 to 11/13/2011
	Damages to third parties on international routes	R$	120	3/31/2011 to 3/31/2012
Insurance for road freight	Civil liability of the road freight carrier (RCTR-C) – accidents and (RCF-DC) theft; international road transportation	RCTR-C R$ 2,200 RCT-VI R$ 2,200 RCFD-C R$ 2,200		6/30/2010 to 6/30/2011

32. Financial instruments

On March 31, 2011, the Company and its subsidiaries had the following financial instruments:

	Book value		Fair value	
	3/31/11	**12/31/10**	**3/31/11**	**12/31/10**
Financial assets				
Trade accounts receivable	302,660	231,383	302,660	231,383
Credits with congeners	1,527	1,344	1,527	1,344
Advances and other accounts receivable	98,862	95,200	98,862	95,200
Refundable deposits and restricted amounts	363,454	348,015	363,454	348,015
Cash and cash equivalents	1,629,018	1,974,560	1,629,018	1,974,560
Total	**2,395,521**	**2,650,502**	**2,395,521**	**2,650,502**
Financial liabilities				
Debentures	1,670,998	1,726,814	1,670,998	1,726,814
Debit with congeners	2,033	3,304	2,033	3,304
advances from clients	41,292	69,452	41,292	69,452
Financial leasing	1,302,864	1,096,101	1,302,864	1,096,101
Loans and financing	3,023,923	3,039,050	3,025,743	3,039,050
Advances of real estate credit	603,994	618,011	603,994	618,011
accounts payable to suppliers	367,432	345,352	367,432	345,352
Total	**7,012,536**	**6,898,084**	**7,014,356**	**6,898,084**

The fair value of the financial assets and liabilities is included in the value for which the instrument could be exchanged in a current transaction between parties willing to negotiate, and not through a sale, forced or otherwise. The following methods and premises were used to estimate the fair value.

- Cash and cash equivalents, client receivables, accounts payable to suppliers and other short-term obligations approach their respective book values largely due to the short-term maturities of these instruments.

- The fair value of the tradable securities and debentures is based on the price quotes on the date of the quarterly financial information. The fair value of the non-tradable instruments, bank loans and other financial debts, capital lease obligations, as well as other non-current financial liabilities, is equivalent to the book value, which translates into the cost of liquidation of the same.

- The fair value of financial assets available for sale is obtained using the market prices quoted in active markets, if these exist.

- The Company contracts derivative financial instruments together with various counterparties, mainly financial institutions with investment grade credit ratings. The derivatives are valued using evaluation techniques based on proven market data, and refer mainly to interest rate and foreign currency swaps. The evaluation techniques applied the most include pricing models for term contracts and swaps, calculated at present value. The models incorporate diverse data, including the quality of credit of counterparts, the spot and term exchange rates and interest rate curves.

The Company does not use derivative financial instruments for speculative purposes.

The main risk factors of the Company and its subsidiaries related to financial instruments are as follows:

a) Credit risk

The Company and its subsidiaries are potentially subject to credit risks arising from their trade accounts receivable or credits held with financial institutions generated by financial investments. The procedures adopted to minimize commercial risks include the selection of customers through adequate credit analyses, the definition of sales limits and short-term maturity of trade notes. Estimated losses with these debtors are fully provisioned. Regarding financial investments, the Company and its subsidiaries have as policy only to realize investments in institutions with low credit risk, pursuant to the risk rating assigned by first-class rating agencies. The Management establishes a maximum investment limit according to Shareholders' Equity and to each institution’s risk rating.

(In thousands of R$, except as otherwise indicated)

b) Interest rate risk

The Company has certain liabilities on which incur post-fixed rates, generating exposure to market interest rate fluctuations.

In order to avoid a rate mismatch between financial assets and liabilities, "Pre-DI" Swap agreements are used to pre-fix the interest rate of part of the debt previously indexed to the CDI rate. The CDI-indexed net exposure was hedged, i.e., the balance of the debt exceeding the cash invested in the CDI. The 3rd issue of Malha Sul debentures, CCB maturing in 2014, part of the flow of the 5th debenture issue and the NCE with maturity date in October 2012 and June 2013 are now restated according to the pre-fixed interest rate. These Swaps ensure that the indices between assets and liabilities remain equal, thus mitigating the interest rate effect on the Company's income. These instruments are recorded as hedge.

Below is the interest rate risk sensitivity analysis, showing the estimated effects of change in income scenarios in the next 12 months, for swaps and their respective underlying assets for which the projections were made. The Management considered the CDI projected for 2011 a probable scenario, according to banking projections:

Interest Rate Appreciation Risk

Operation	Risk	Notional Value	Fair Value on 3/31/11	Probable Scenario	+25%	+50%
FINANCIAL ASSETS AND LIABILITIES						
Debentures 3rd issue	CDI	166,666	(2,752)	22,508	28,135	33,762
Swap Long Position- Counterparty HSBC	CDI	(166,666)	2,752	(22,544)	(28,180)	(33,816)
Debentures 5th issue (33.33%)	CDI	66,667	963	10,135	12,140	14,246
Swap Long Position- Counterparty Standard	CDI	(66,667)	(963)	(10,074)	(12,188)	(14,303)
CCB	CDI	90,489	2,673	15,040	18,461	21,882
Swap Long Position- Counterparty HSBC	CDI	(90,489)	(2,673)	(15,714)	(19,288)	(22,863)
NCE	CDI	100,000	1,833	12,741	12,741	12,741
Swap Long Position- Counterparty Banco do Brasil	CDI	(100,000)	(1,833)	(12,686)	(12,686)	(12,686)
Taxes paid in installments	CDI		(207,254)	(25,430)	(31,788)	(38,145)
Short-term			(17,591)	(2,158)	(2,698)	(3,238)
Long-term			(189,663)	(23,272)	(29,090)	(34,907)

References

Average CDI p.a.	12.27%	15.34%	18.41%

Probable scenario for the next 12 months based on banks' macroeconomic projections.

The effect of the exposure to the remaining interest rate variation is presented in item d) below.

(In thousands of R$, except as otherwise indicated)

c) Foreign currency risk

It derives from the possibility of loss due to fluctuations in exchange rates, that increase loan, suppliers or foreign currency agreements liability balance, as well as fluctuations that reduce the investment balance or other assets.

The Company's policy guides the use of derivative instruments only to mitigate effects related to Real exchange devaluation in its foreign currency forward purchases. Thus, the Company contracts "Dollar-Real" swap operations at the same amount and with the same maturity date of the liabilities purpose of hedge. The Company follows up on a regular basis its exchange exposure in order to ensure that hedge operation result annuls the exchange effect over its cash flow.

Below is the exchange rate risk sensitivity analysis, showing the estimated effects of change in income scenarios for the next 12 months. The Management considered the exchange rate projected for 2011 a probable scenario, according to macroeconomic projections:

Foreign Currency Appreciation Risk

Operation	Risk	Notional Value	Fair Value on 3/31/11	Probable Scenario	+25%	+50%
FINANCIAL ASSETS AND LIABILITIES						
Foreign currency appreciation risk – Effect on investments:						
Investments	USD	6,187	10,097	420	3,049	5,679
Net effect on investments		**6,187**	**10,097**	**420**	**3,049**	**5,679**
Foreign currency appreciation risk – Effect on suppliers/imports:						
Long-term suppliers	USD	(66,232)	6,068	(7,325)	(53,170)	(99,016)
Swap Long Position per Counterparty:						
Counterparty Santander	USD	9,814	(155)	1,085	7,879	14,672
Counterparty HSBC	USD	48,789	(5,913)	5,395	39,167	72,938
Counterparty Bradesco	USD	7,684	(12)	850	6,169	11,487
Net Effect on suppliers/imports		**55**	**(12)**	**5**	**45**	**81**
References						
Dollar USD/R$				1.70	2.13	2.55

Probable scenario for the next 12 months based on banks' macroeconomic projections.

(In thousands of R$, except as otherwise indicated)

d) Financial charge deterioration risk from net debt

This risk derives from the possibility that the Company incur in losses due to interest rates fluctuation or other indexes of its loans and financing that increase its financial expenses or decrease the financial revenues deriving from investments. In the Company, this risk impacts the net debt indexed in CDI (total debt indexed in CDI – financial investments indexed in CDI). In order to partially cover this exposure, the Management chose to contract “Pre-DI” swap operations as mentioned in item “b” of the table “Interest Rates Risks”. The company continuously monitors these indexes to evaluate the eventual need to contract derivatives to mitigate these rates variation risk.

Below is the financial charges deterioration sensitivity analysis, showing the estimated effects of change in income scenarios for the next 12 months, considering as probable scenario the projected rates for the year 2010. Rates increases were simulated as alternative scenarios, considering that the Company has a net debt position:

Debt charges deterioration risk

Operation	Risk	Probable Scenario	+25%	+50%
FINANCIAL ASSETS AND LIABILITIES				
CASH				
Investments indexed to CDI	CDI	139,330	174,163	208,995
Pre-fixed investments	PRE	51,441	51,441	51,441
LOANS AND FINANCING				
Financing indexed to TJLP	TJLP	150,560	179,137	207,715
Financing indexed to CDI	CDI	151,390	187,831	224,272
Financing: Pre/Post fixed by swap - see item b	PRE/POST	28,453	31,808	35,163
Short Position - Swaps USD X %CDI	CDI	7,325	53,170	99,016
Debentures indexed to CDI	CDI	203,861	248,445	293,028
Prefixed debentures by swap - see item b	PRE	31,631	31,631	31,631
Financings indexed to IGPM	IGPM			1
Other liabilities				
Advances from Real Estate Credit indexed to CDI	CDI	90,766	110,160	129,554
References				
Average CDI (p.a.)		12.27%	15.34%	18.41%
TJLP		6.00%	7.50%	9.00%
IGPM		11.32%	14.15%	16.98%

Probable scenario for the next 12 months based on banks' macroeconomic projections.

(In thousands of R$, except as otherwise indicated)

e) CVM Rule 475

The consolidated position of derivative financial instrument amounts is presented in the table below:

Fair value of derivative operations by maturity

DESCRIPTION	REFERENCE VALUE (NOTIONAL)		FAIR VALUE		ACCUMULATED EFFECT (CURRENT)	
	3/31/11	12/31/10	3/31/11	12/31/10	AMOUNT RECEIVABLE / RECEVIED	AMOUNT PAYABLE/PAID
Foreign Currency Risk						
Maturities USD x %CDI:						
Foreign Currency Risk	USD	USD	R$	R$	R$	R$
Maturities USD x %CDI:						
1Q11	7,684	39,036	(12)	(6,422)		(12)
3Q11	50,445	14,545	(5,283)	(2,107)		(5,283)
1Q12	33,685		(2,194)			(2,194)
4Q11	10,016		(717)			(717)
Interest Rates Risk	R$	R$	R$	R$	R$	R$
Maturities Pre x Floating rates:						
3Q12*	66,667	66,667	963	669	963	
4Q12*	30,000	30,000	(233)	(137)		(233)
2Q13*	70,000	70,000	(1,600)	(856)		(1,600)
4Q14*	75,000	75,000	(2,673)	(5,645)		(2,673)
1Q18*	150,000	150,000	3,772	6,782	3,772	
3Q18*	166,666	166,666	2,752	(4,840)	2,752	
TOTAL			**(5,225)**	**(12,556)**	**7,487**	**(12,712)**

** Derivative operations classified as hedge ("hedge documentation")*

SWAP operations in the table USD vs. % CDI above are conducted at an average long-tem cost of 110% of CDI and a cost of long-term exchange variation plus an average spread of 1%.

The fair value of derivatives is recorded in the account Loans and Financings (Current and Non-Current) in Liabilities in contra-account to: i) income, for derivatives for which there is not hedge documentation and ii) Assets Adjustments (Shareholders’ Equity), for those derivatives where there is hedge documentation, the effect of the fair value is recorded in the account Loans and Financings in Current Liabilities. All derivatives are used as hedge (asset protection), therefore, at maturity, the negative or positive effects of such operations are offset by the effect contrary to the asset or liability whose risk is being mitigated.

It is worth pointing out that, at maturity, the negative or positive effect arising from these operations is offset by the contrary effect in asset or liability whose risk is being mitigated.

The fair value of the derivatives was calculated based on exchange curves and current BM&F interest rates on March 31, 2011 for future value projection, as well as DI future rate of BM&F to carry these flows to present value. There is no margin deposit or guarantees of any type or amount, for none of the derivatives under consideration.

(In thousands of R$, except as otherwise indicated)

On March 31, 2011, the effect on the Company's results of the hedge operations is a debit balance of R$9,908 (also a debit balance of R$831 on March 31, 2010). Gains and losses from hedging swaps recorded under shareholder equity amounted to a credit balance of R$5,799 on March 31, 2011 (a credit balance of R$1,368 on December 31, 2010).

33. Private social security

The direct subsidiary ALL Malha Oeste sponsors Benefits Plan, together with a multi-sponsor fund, HSBC Fundo de Pensão. The plan has prevailing characteristics in the defined contribution modality during the funds accumulation period. The only defined benefit, in the accumulation stage, is a benefit equivalent to, at most, six salaries, paid in the event of death, disability and retirement process, calculated according to formulas and conditions established in the plan's regulation.

The contributions are made on average, in the proportion of 67% by the sponsor and 33% by the active participants. The contributions related to Minimum Benefit are fully carried out by the Sponsor, as established in an actuarial technical note, and restated on a yearly basis, through actuarial evaluations.

The plan is evaluated annually, by an independent actuary, and the last actuarial evaluation of the Plan was concluded on December 31, 2010. The reference date used in the evaluation was October 2010.

	3/31/11	12/31/10
Participants	47	47
Net assets	9,043	9,043
Sponsor contribution (% payroll)	0.16%	0.16%
Participation payroll	772	772

The plan also has a defined benefit portion in the concession phase, whose actuarial liability refers to monthly life annuities granted to its participants. The present value of the actuarial liability of Sponsored Participants was calculated based on the mortality table AT-83 and on a financial discount rate of 7.16% per year; on October 31, 2010, it amounts to R$5,651 and is totally covered by the Plan's Net Assets.

In addition to the total financial coverage of actuarial liabilities, the plan has a surplus with which a pension fund that amounts to R$3,260 on December 31, 2010 was made. The Fund was established by remaining balances of contributions from the sponsor, coming from withdrawals of participants who made a partial redemption, not being eligible to benefits of the plan.

34. Subsequent events

Debentures: On April 15, 2011, the Company issued public unsecured debentures, non-convertible into shares, with personal guarantee and under firm guarantee regime, pursuant to CVM Rule 400, for the amount of R$810 million in an agreement entered into with CVM and ANBIMA. The issued had two series: the first series, at CDI rate, in the amount of R$539 million due in 2015, 2016 and CDI remuneration + 1.65% p.a.; the second series, at IPCA rate, in the amount of R$271 million due in 2017, 2018 and IPCA remuneration + 8.40% p.a.

Brado Logística e Participações S.A.: On April 1, 2011, Brado's operations were effectively discontinued, which was announced in a Material Fact published on December 20, 2010. Therefore, Brado Logística e Participações S.A. ("Brado Participações"), a subsidiary of the Company, merged shares of Standard Logística S.A., which adopted corporate name of Brado Logística S.A. ("Brado Logística"). As a result, former shareholders of Brado Logística now hold 20% of Brado Participações and the Company holds 80% of Brado Participações' capital stock. The abovementioned transactions are subject only to applicable government authorization. Also on April 1, 2011, the Company and former shareholders of Brado Logística entered into shareholders agreements that ruled their rights and obligations as shareholders of Brado Participações.

* * *

ALL REPORTS 1Q11 RESULTS

Curitiba, Brazil, May 10, 2011 – América Latina Logística S.A. – ALL (BM&FBovespa: ALLL3; OTCQX: ALLAY), Latin America's largest independent logistics company, announces its results for the first quarter of 2011 (1Q11). ALL operates 21,300 km of rail tracks, 1,095 locomotives, 31,650 rail cars, 650 highway vehicles, distribution centers and warehousing installations. ALL's rail network serves an area that accounts for approximately 65% of Mercosur's GDP. The Company serves seven of the most active ports in Brazil and Argentina through which approximately 78% of all South America's grain exports are shipped annually. ALL offers a full range of logistics services, including domestic and international rail transportation, intermodal door-to-door transportation, distribution and warehousing. The services are provided in Brazil and Argentina by three business units: agricultural commodities, industrial products and highway services. Unless stated otherwise, all comparisons made in this report refer to the same period of 2010, and the financial and operational information are presented in nominal Brazilian reais pursuant to Brazilian Corporate Law. Unless stated otherwise, the results for 2010 and 2011 contemplate the changes in Brazilian Accounting Standards that occurred in 2008 (Law 11,638), and 2010 results may differ from numbers previously released.

Conference Calls:

English
May 11, 2011
Wednesday
10:30 a.m. US EDT

Portuguese
May 11, 2011
Wednesday
9:00 a.m. US EDT

Meeting with Analysts and Investors:

May 13, 2011
Friday
11:00 a.m. (Brasília)

Blue Tree Towers Faria Lima
Av. Brigadeiro Faria Lima, 3989
São Paulo – SP

OPERATING AND FINANCIAL HIGHLIGHTS

- ✓ **ALL Brazil´s volumes increased 4.1% in 1Q11 to 8,591 million RTK,** mainly driven by market share gains especially in corn and sugar segments. The volume growth was reached despite of (i) a weak agricultural market in the quarter, as compared to 1Q10 and (ii) the problems caused by the excessive rainfall levels around Port of Paranagua region, which flooded cities, blocked roads and interrupted the railroad access to the port at the beginning of the harvest season.

- ✓ **ALL Brazil´s EBITDA increased 1.7% in 1Q11 to R$300.5 million,** pushed by higher volumes and partially offset by lower margins. The reduction in margins, from 49.7% to 48.1%, reflects the delay in the beginning of harvest season, which drove to a longer off-season period in 1Q11 – when margins are lower – as compared to 1Q10.

- ✓ **The outlook for 2011 continues to be positive.** According to the most recent CONAB estimate, the total agricultural production in Brazil was revised up and should increase nearly 7%, with another strong grain crop this year. The harvest has been intensified after intense rainfall levels that postponed its beginning in the state of Mato Grosso. Grain exports should grow from 53.5 million tons in 2010 to 55.6 million in 2011.

- ✓ **Brado concluded its merger with Standard Logistica in April.** As a result, ALL now holds an 80% stake in Brado's capital stock and the former shareholders of Standard own 20%. Brado will invest in terminals and in the expansion of rail capacity in order to replicate in Brazil a model that has proven to be successful in other countries, where market share of the railways in the container segment is above 50%. CAPEX will be 100% funded by equity and debt in Brado´s balance sheet and risk, with no cash being provided by the existing ALL operation. We will open Brado's results in this earnings release as a separate business, starting in 2Q11.

(In thousands of R$, except as otherwise indicated)

Table 1 - Financial Highlights (R$ million)	1Q11	1Q10	% Change
ALL Brazil Operations			
Gross Sales	724.2	680.8	6.4%
Net Sales	625.0	594.7	5.1%
EBITDA	300.5	295.6	1.7%
*EBITDA Margin**	48.1%	49.7%	-1.6%
Net Income	8.4	42.4	-80.1%
ALL Consolidated			
Gross Sales	761.3	713.0	6.8%
Net Sales	661.2	626.1	5.6%
EBITDA	301.7	296.5	1.7%
EBITDA Margin*	45.6%	47.4%	-1.7%
Net Income	0.5	35.0	-98.5%
EPS (R$/ Share)	0.00	0.05	-98.5%
Consolidated Balance Sheet Indicators			
Total Assets	12,717.7	12,144.2	4.7%
Shareholders Equity	3,857.6	3,647.1	5.8%
EBITDA (Trailling 12 months)	1,343.5	1,148.3	17.0%
Net Debt	3,008.6	2,266.8	32.7%
Net Debt / (Trailling 12 months EBITDA)	2.2	2.0	13.4%
Net Debt/ Equity	0.8	0.6	25.5%

** For EBITDA margin change means percentage points gained/lost*
Earnings per share calculation based on number of existing shares as of March 31th, 2011
Values may not add up due to rounding

Comments from Paulo Basilio, CEO

We are announcing 1Q11 results showing a 4.1% consolidated volume expansion, a 6.8% revenue increase and a EBITDA growth from R$296.5 million in 1Q10 to R$301.7 million. Volume growth was mainly driven by market share gains in a tough environment marked by:

(i) A weak agricultural market in the quarter, as compared to 1Q10. This year, the crop transportation season, which usually starts in the middle of February, began in March, due to heavy rainfall levels in the state of Mato do Grosso during the harvest period. Although the harvest delay has not impacted the expected crop for the year, it affected total agricultural freight market in 1Q11, which had two off-season months - when yields and margins are lower - as compared to only one and a half month in 1Q10, pushing volumes for the next quarters.

(ii) The problems caused by the excessive rainfall levels around port of Paranagua region, which flooded cities, blocked roads and interrupted the railroad access to the port for one week at the beginning of the harvest season. The problems at the port – in a route which is responsible for 30% of our agricultural volumes - led to a 2% negative impact in our volumes in the quarter but have not affected the annual volume, as non-transported cargo should be exported throughout the year.

(iii) The reduction in iron ore and steel products transported volume. The reduced volume of steel products reflected the lower industrial activity in that sector and, also, the increase in imports. In case of iron ore, transported volume was impacted by the strong reduction in barge transportation between Brazil and Argentina due to the shallow draft of Paraguay River. In this kind of operation, barges are fed by railroads, from mines located in the city of Corumbá.

In Brazil, gross revenues increased 6.4%, from R$680.8 million in 1Q10 to R$724.2 million in 1Q11, driven by a 4.1% volume growth and a 2.2% average yield increase. The yield expansion reflects inflation pass through, partially offset by the delay in the beginning of the harvest season, when demand picks pushes freight prices and margins up. EBITDA grew from R$295.6 million to R$300.5 million and EBITDA margin decrease from 49.7% in 1Q10 to 48.1% in 1Q11.

(In thousands of R$, except as otherwise indicated)

Agricultural commodities volumes increased 5.3% in 1Q11, from 5,595 million RTK in 1Q10 to 5,892 million RTK, driven by market share gains at the ports we serve, from 69% in 1Q10 to 70% in 1Q11. Business unit EBITDA increased 1.4% to R$220.5 million with a 2.2 p.p. reduction in EBITDA margin, from 54.7% to 52.5%. In the industrial segment volumes grew 1.7% in 1Q11, mainly driven by construction, wood products and food segments, partially offset by the decrease in steel products. EBITDA increased 1.2%, from R$75.7 million to R$76.6 million. Highway services volumes increased 3.4% and EBITDA grew 35.7% to R$3.4 million.

In Argentina, volumes grew 3.1%, from 725 million RTK in 1Q10 to 748 million RTK in 1Q11, and EBITDA increased 19.2% from R$0.9 million in 1Q10 to R$1.1 million in 1Q11. Argentine operation represents today less than 5% of our revenues and 1% of our EBITDA.

The outlook for 2011 continues to be positive. According to the most recent CONAB estimate, the total agricultural production in Brazil was revised up and should increase nearly 7%, with another strong grain crop this year. The harvest has already been intensified after intense rainfall levels that postponed its beginning in the state of Mato Grosso, and grain exports should grow from 53.5 million tons in 2010 to 55.6 million in 2011. Moreover, we closed 75% of our capacity in take-or-pay contracts.

In April, Brado concluded its merger with Standard Logistica and as a result, ALL holds an 80% stake in Brado's capital stock and the former shareholders of Standard own 20%. Brado will invest in terminals and in the expansion of rail capacity in order to replicate in Brazil a model that has proven to be successful in other countries, where market share of the railways in the container segment is above 50%. Brado intends to invest R$1 billion over the next 5 years to reach a total market share of approximately 12% of the container volume handled in the ports located within ALL's coverage area, and CAPEX will be 100% funded by Brado´s balance sheet, through equity or debt, and no cash will be provided by the existing ALL operation.

Furthermore, we are very positive about our other strategic expansion projects. The first stage of the Rumo project expansion is being completed with the delivery of the additional rail car and locomotive fleet, and we continue working in infrastructural projects in terminals and mining segments.

OPERATING PERFORMANCE BY BUSINESS SEGMENT

Consolidated Results

Consolidated EBITDA grew 1.7% in 1Q11, from R$296.5 million in 1Q10 to R$301.7 million. The increase was mainly driven by higher volumes and yields, partially offset by lower margins. EBITDA margin decreased 1.7 percentage points, from 47.4% in 1Q10 to 45.6% in 1Q11.

Table 2 - EBITDA (R$ million)	1Q11	1Q10	Change	% Change
ALL Consolidated	301.7	296.5	5.1	1.7%
ALL Brazil	300.5	295.6	4.9	1.7%
Agricultural Commodities	220.5	217.4	3.1	1.4%
Industrial Products	76.6	75.7	0.9	1.2%
Highway Based Services	3.4	2.5	0.9	35.7%
ALL Argentina	1.1	0.9	0.2	19.2%

(In thousands of R$, except as otherwise indicated)

Gross revenues increased 6.8%, from R$713.0 million in 1Q10 to R$761.3 million in 1Q11, mainly driven by a 4.1% volume growth and a 2.7% yield increase. Yield growth reflects: (i) inflation pass through in Brazil, partially offset by the delay in the harvest season, when generally it is observed a pick of demand which pushes prices up and (ii) higher yields in Argentina due to the inflation rates.

Table 3 - EBITDA Margin %	1Q11	1Q10	Change *
ALL Consolidated	45.6%	47.4%	-1.7%
ALL Brazil	48.1%	49.7%	-1.6%
Agricultural Commodities	52.5%	54.7%	-2.2%
Industrial Products	41.8%	42.9%	-1.1%
Highway Based Services	15.6%	11.9%	3.7%
ALL Argentina	3.1%	3.0%	0.1%

**Indicates percentage points gained / lost*

Volumes in 1Q11 increased 4.1% as compared to 1Q10, from 8,975 million RTK to 9,338 million RTK, as a result of a 4.1% growth in Brazil and 3.1% in Argentina. In Brazil, volume increase was mainly driven by market share gains, especially in corn and sugar segments, which compensated (i) the weak agricultural market in the quarter and (ii) problems caused by the excessive rainfall levels around Paranagua Port region, which interrupted the railroad access to the port.

Agricultural Commodities

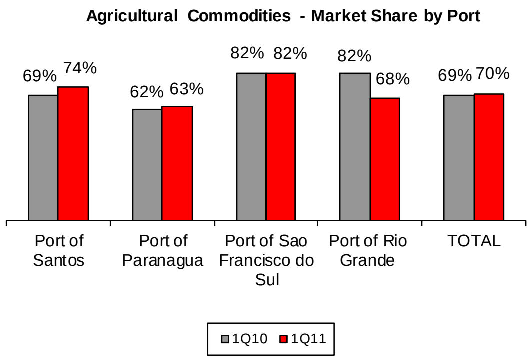
Agricultural commodities volumes increased 5.3% in 1Q11, from 5,595 million RTK to 5,892 million RTK, mainly driven by increases in transport of wheat (86.8%), sugar (81.7%), fertilizers (73.9%) and corn (53.3%). The volume growth reflects market share gains especially in corn and sugar segments and was reached despite of a weak agricultural market in the quarter and the one-week interruption in Paranagua Port.

This year, the crop transportation season, which usually starts in the middle of February, began in March, due to heavy rainfall levels in the state of Mato do Grosso during the harvest period. Although the harvest delay has not impacted the expected crop for the year, it affected total agricultural freight market in 1Q11, which had two off-season months as compared to only one and a half month in 1Q10, pushing volumes for the next quarters.

In Paranaguá, massive rainfall levels blocked all access to the port in March, when the 2011 crop had just started. Cities in the region were flooded and the traffic in roads and railroads was interrupted by one week. The problems at the port – in a route which is responsible for 30% of our agricultural volumes - led to a 2% negative impact in our volumes in the quarter but have not affected the annual volume, as non-transported cargo should be exported throughout the year.

Table 4 - Agricultural Commodities (million RTK)	1Q11	1Q10	% Change
Soy	2,613.1	3,302.1	-20.9%
Soy Meal	875.6	830.2	5.5%
Fertilizers	456.5	262.5	73.9%
Sugar	679.4	373.9	81.7%
Corn	671.8	438.3	53.3%
Wheat	467.1	250.0	86.8%
Rice	119.6	133.1	-10.1%
Others	8.9	4.8	85.3%
Total	**5,891.9**	**5,594.9**	**5.3%**

(In thousands of R$, except as otherwise indicated)



Total market share at the ports we serve increased, from 69% in 1Q10 to 70% in 1Q11. The market share growth reflects an increase in transported volumes by ALL in a weak agricultural exports environment at the beginning of the year. At Port of Santos, our market share grew from 69% to 74% pushed by a market share increase in sugar and corn.

Gross revenues increased 7.1%, from R$449.2 million in 1Q10 to R$481.0 million in 1Q11, and gross yield, measured in R$/'000 RTK increased 1.7% reaching R$81.6 per thousand RTK. The yield increase reflects inflation pass through, partially offset by the delay in the harvest season, when generally it is observed a pick of demand which pushes prices up.

Table 5 - Agricultural Commodities (million RTK)	1Q11	1Q10	% Change*
Volume (million RTK)	5,892	5,595	5.3%
Gross Revenues	481.0	449.2	7.1%
Gross Yield (R$/'000 RTK)	81.6	80.3	1.7%
Net Revenues	420.0	397.3	5.7%
EBITDA	220.5	217.4	1.4%
EBITDA Margin	**52.5%**	**54.7%**	**-2.2%**

** For EBITDA Margin indicates percentage points gained / lost*

Agricultural commodities EBITDA increased 1.4%, from R$217.4 million in 1Q10 to R$220.5 million in 1Q11, pushed by a 5.3% volume growth and a 1.7% yield increase. EBITDA margins decreased 2.2 p.p, from 54.7% to 52.5%, mainly reflecting the delay in the harvest season, which drove to a longer off-season period in 1Q11– when margins are lower – as compared to 1Q10.

Industrial Products

Industrial products volumes increased 1.7% in 1Q11, from 2,655 million RTK to 2,699 million RTK, reflecting the volume growth in construction (12.0%), wood products (11.9%) and food (9.5%), which offset the 14.2% reduction in steel products volumes.

(In thousands of R$, except as otherwise indicated)

Table 6 - Intermodal Industrial Products (million RTK)	1Q11	1Q10	% Change
Steel Products	342.1	398.6	-14.2%
Wood Products	329.1	294.2	11.9%
Food Products	175.1	159.9	9.5%
Containers	241.6	247.2	-2.3%
Others	71.1	66.0	7.7%
Total	**1,159.0**	**1,165.9**	**-0.6%**

In intermodal flows, volume decreased 0.6% in 1Q11, due to the reduction in iron ore and steel products transported volume. The reduced volume of steel products reflected the lower industrial activity in that sector and, also, the increase in imports. In case of iron ore, transported volume was impacted by the strong reduction in barge transportation between Brazil and Argentina due to the shallow draft of Paraguay River. In this kind of operation, barges are fed by railroads, from mines located in the city of Corumba.

Table 7 - Pure Rail Industrial Products (million RTK)	1Q11	1Q10	% Change
Fuel Products	1,155.9	1,120.0	3.2%
Vegetal Oil	24.5	48.0	-49.1%
Construction	359.6	321.2	12.0%
Total	**1,540.0**	**1,489.2**	**3.4%**

In pure rail flows, volumes increased 3.4% pushed by the construction segment partially offset by the poor performance in fuel products and vegetal oil. Volumes of fuel products and vegetal oil – which are directly related to agricultural commodities harvest and transportation – were also impacted by the longer off-season period in 1Q11 as compared to last year.

Table 8 - Industrial Products	1Q11	1Q10	% Change*
Volume (million RTK)	2,699	2,655	1.7%
Gross Revenues	218.1	207.5	5.1%
Gross Yield (R$ / '000 RTK)	80.8	78.1	3.4%
Net Revenues	183.4	176.5	3.9%
EBITDA	76.6	75.7	1.2%
EBITDA Margin	**41.8%**	**42.9%**	**-1.1%**

** For EBITDA Margin indicates percentage points gained / lost*

Industrial products gross revenues increased 5.1% in 1Q11, from R$207.5 million in 1Q10 to R$218.1 million, with an average yield increase of 3.4%. EBITDA increased 1.2%, from R$75.7 million in 1Q10 to R$76.6 million in 1Q11, and EBITDA margin decreased 1.1 percentage point.

Highway Services Business Unit

In the Highway Services Business Unit gross revenues grew 4.5% in 1Q11, to R$25.2 million against the R$24.1 million in 1Q10, reflecting a 3.4% volume increase measured in remunerated kilometers (RK) and an 1.1% average yield expansion measured in R$/´000 Km. EBITDA increased from R$2.5 million in 1Q10 to R$3.4 million in 1Q11, and EBITDA margin increased 3.7 percentage points, reflecting our strategy of focusing our expansion on the more profitable operations.

(In thousands of R$, except as otherwise indicated)

Argentina Operations

In Argentina the scenario has not changed much, and it is hard to anticipate the political and economical trends of the country. Recent estimates point to a crop in line with last year.

ALL Argentina's gross revenues increased 29.9% in 1Q11, from P$68.8 million to P$89.3 million, due to a 25.9% increase in yields in pesos in the period. EBITDA increased from P$2.0 million in 1Q10 to P$2.7 million in 1Q11. In reais, EBITDA grew from R$0.9 million in 1Q10 to R$1.1 million in 1Q11.

CONSOLIDATED RESULTS
For First Quarter 2011 Compared to First Quarter 2010

Table 9 - Operational Indicators	Brazil			Argentina		
	1Q11	1Q10	% Change	1Q11	1Q10	% Change
Volumes						
RTK (million)	8,591	8,250	4.1%	748	725	3.1%
GTK (million)	14,499	14,123	2.7%	1,322	1,290	2.5%
Total RK (million)	8.0	7.7	3.4%			
RK of Owned Fleet (million)	3.2	3.0	6.9%			
Diesel Consumption						
Rail (liters per 000 GTK)	5.60	5.61	-0.2%	3.78	3.77	0.2%
Trucking (liters per RK)	0.38	0.40	-3.8%			

Consolidated Gross Revenue from Services

Consolidated gross revenues increased from R$713.0 million in 1Q10 to R$761.3 million in 1Q11, or 6.8%, due to a 6.4% increase in Brazilian operations' gross revenues, from R$680.8 million to R$724.2 million, and a 15.0% increase in Argentine operations' gross revenues, from R$32.3 million to R$37.1 million.

Table 10 - Gross Revenues (R$ million)	1Q11	1Q10	Change	% Change
ALL Consolidated	761.3	713.0	48.3	6.8%
ALL Brazil	724.2	680.8	43.4	6.4%
Agricultural Commodities	481.0	449.2	31.7	7.1%
Industrial Products	218.1	207.5	10.6	5.1%
Highway Based Services	25.2	24.1	1.1	4.5%
ALL Argentina	37.1	32.3	4.8	15.0%

Brazilian operations gross revenues rose R$43.4 million in 1Q11, when compared to the same period of last year, reflecting a 4.1% increase in transported volume and a 2.2% increase in average yield, from R$79.6 per thousand RTK in 1Q10 to R$81.4 per thousand RTK in 1Q11. Average yields reflect inflation pass through, partially offset by the delay in the beginning of the harvest season, when demand picks pushes freight prices up.

Agricultural commodities' gross revenues increased R$31.7 million, or 7.1%, as transported volume grew 5.3% and gross yield rose 1.7%, from R$80.3 per thousand RTK in the 1Q10 to R$81.6 per thousand RTK in the 1Q11. In industrial products, gross revenues increased R$10.6 million, or 5.1%, driven by a 1.7% increase in transported volume and a 3.4% increase in average yield. In highway-based services unit, gross revenues went up by 4.5%, reaching R$25.2 million, when compared to the R$24.1 million in 1Q10.

(In thousands of R$, except as otherwise indicated)

In Argentina, gross revenues went up 29.9% in Pesos as a result of a 25.9% increase in average yield, from P$94.9 per thousand RTK in 1Q10 to P$119.5 per thousand RTK in 1Q11, and an increase of 3.1% in transported volumes, to 748 million RTK in the period. The scenario has not changed much, and it is hard to anticipate the political and economical trends of the country.

In Reais, gross revenues grew 15.0% in 1Q11, from R$32.3 million in 1Q10 to R$37.1 million, driven by a depreciation of 11.4% of the Argentine Peso against the Brazilian Real.

Taxes on Consolidated Gross Operating Revenue

Taxes on consolidated operating revenue increased 15.2%, from R$86.9 million in 1Q10 to R$100.1 million in 1Q11. The tax increase resulted from a 15.2% increase in Brazilian operations' taxes, from R$86.1 million in 1Q10 to R$99.1 million in 1Q11, and a 20.8% increase in Argentine operations' taxes.

Consolidated Cost of Sales

Consolidated costs of sales increased from R$361.2 million in 1Q10 to R$395.8 million in 1Q11, or 9.6%, due to a 9.0% increase in Brazilian operations' cost of sales, from R$330.5 million in 1Q10 to R$360.2 million in 1Q11, and a increase in Argentine operations' cost of sales from R$30.7 million to R$35.6 million.

Table 11 - Cost of Sales	Brazil			Argentina			Consolidated		
(R$ million)	1Q11	1Q10	% Change	1Q11	1Q10	% Change	1Q11	1Q10	% Change
Fuel Expenses	**(107.0)**	**(109.4)**	**-2.2%**	**(6.1)**	**(5.8)**	**5.4%**	**(113.2)**	**(115.2)**	**-1.8%**
Rail portion	(104.6)	(101.9)	2.6%	(6.1)	(5.8)	5.4%	(110.7)	(107.7)	2.7%
Trucking portion	(2.5)	(7.5)	-67.0%	0.0	0.0	na	(2.5)	(7.5)	-67.0%
Outsourced and Contracted Trucking Expenses	**(34.4)**	**(27.3)**	**26.2%**	**(2.3)**	**(2.6)**	**-11.9%**	**(36.7)**	**(29.9)**	**22.9%**
Drayage Services	(25.7)	(24.3)	5.9%	(2.3)	(2.6)	-11.9%	(28.0)	(26.9)	4.2%
Other than Drayage Services	(8.7)	(3.0)	189.1%	0.0	0.0	na	(8.7)	(3.0)	189.1%
Labor Expenses	(54.7)	(52.6)	4.0%	(16.1)	(14.1)	14.3%	(70.8)	(66.7)	6.2%
Maintenance Expenses	(22.9)	(21.7)	5.4%	(3.8)	(2.5)	50.7%	(26.6)	(24.2)	10.1%
Depreciation Expenses	(87.8)	(79.3)	10.7%	(3.6)	(3.2)	13.4%	(91.5)	(82.5)	10.9%
Other Costs	(41.0)	(34.8)	17.8%	(3.7)	(2.5)	45.8%	(44.7)	(37.3)	19.7%
Railcar Rentals	(12.4)	(5.4)	128.4%	0.0	0.0	na	(12.4)	(5.4)	128.4%
Total Cost of Sales	**(360.2)**	**(330.5)**	**9.0%**	**(35.6)**	**(30.7)**	**15.8%**	**(395.8)**	**(361.2)**	**9.6%**

Brazilian operations' cost of sales growth in 1Q11 compared to the same period of 2010 was mainly driven by increases in (i) fuel expenses in the rail portion of our business due to the higher volumes and (ii) depreciation expenses.

In Argentina, the higher cost of sales denominated in Reais reflects the inflation in the country and the growth in transported volumes, which were partially offset by the Peso depreciation against the Real.

Gross Profit

Consolidated gross profit increased 0.2%, from R$264.9 million in 1Q10 to R$265.3 million in 1Q11. The increase was due to a R$35.1 million increase in net revenues, partially offset by the increase of R$34.6 million in the cost of sales.

Operating Expenses

Consolidated operating expenses increased from R$32.6 million in 1Q10 to R$33.5 million in 1Q11, or 3.0%, due to an increase of 3.1% in Brazilian operations expenses, from R$28.9 million to R$29.8 million, and a 2.1% increase in expenses in Argentina, from R$3.7 million to R$3.8 million.

(In thousands of R$, except as otherwise indicated)

Net Financial Expense

Consolidated net financial expenses increased 17.3% from R$188.2 million in 1Q10 compared to R$220.7 million in 1Q11 mainly driven by a 18.2% increase in Brazilian net financial expenses, partially offset by a 9.0% decrease in Argentina. Brazilian operations' net financial expenses increased from R$181.8 million in 1Q10 to R$214.9 million in 1Q11 due to higher net debt and the 30% increase in average interbank interest rate in Brazil, from 8.6% in 1Q10 to 11.2% in 1Q11. Argentine operations' net financial expenses improved in 1Q11, from an expense of R$6.4 million in 1Q10, to an expense of R$5.8 million.

Other Costs and Expenses

Consolidated other costs and expenses - which includes equity earnings and gains on investments and adjustments related with minority stakes – increased from a loss of R$9.0 million in 1Q10 to a loss of R$11.2 million in 1Q11, mainly driven by goodwill amortization growth in Brazil.

Table 12 - Other Costs	Brazil			Argentina			Consolidated		
(R$ million)	1Q11	1Q10	% Change	1Q11	1Q10	% Change	1Q11	1Q10	% Change
Equity Earnings and Gain on Investments	(9.8)	(7.9)	24.1%	(0.3)	(0.3)	-11.5%	(10.1)	(8.2)	22.7%
Minority Stakes	(1.6)	(1.6)	4.8%	0.5	0.8	-37.0%	(1.1)	(0.8)	49.8%
Other Costs	**(11.4)**	**(9.4)**	**20.9%**	**0.2**	**0.5**	**-54.5%**	**(11.2)**	**(9.0)**	**24.9%**

Income Taxes

Consolidated income taxes improved from a loss of R$0.1 million in 1Q10 to a gain of R$0.7 million in 1Q11, mainly driven by a lower EBT (earnings before taxes). Brazilian income taxes improved from a loss of R$1.7 million in 1Q10 to a loss of R$0.3 million. In Argentina income tax passed from a gain of R$1.6 million in 1Q10 to a gain of R$1.0 million in 1Q11.

Net Income

As an effect of the results discussed above, consolidated net income decreased from a profit of R$35.0 million in 1Q10 to a profit of R$0.5 million in 1Q11.

CAPEX

Consolidated investments increased 14.3%, from R$229.3 million in 1Q10 to R$262.2 million in 1Q11, mainly driven by the 18.0% increase in Brazilian expansion investments, pushed by the extension of our main agricultural rail corridor from Alto Araguaia to Rondonopolis.

Investments in Argentina decreased 14.8%, from R$8.9 million in 1Q10 to R$7.6 million in 1Q11.

Table 13 - Investments	Brazil			Argentina			Consolidated		
(R$ million)	1Q11	1Q10	% Change	1Q11	1Q10	% Change	1Q11	1Q10	% Change
Maintenance	70.2	64.2	9.4%	4.1	3.6	12.5%	74.3	67.8	9.6%
Expansion	184.4	156.3	18.0%	3.5	5.2	-33.8%	187.9	161.5	16.3%
Total Investments	**254.6**	**220.4**	**15.5%**	**7.6**	**8.9**	**-14.8%**	**262.2**	**229.3**	**14.3%**

Cash Flow

Consolidated cash flow from operational activities improved from an inflow of R$25.2 million in 1Q10 to an inflow of R$47.7 million in 1Q11, mainly driven by the increase in operating activities in Brazil. Cash outflow from investments passed from an outflow of R$229.0 million to an outflow of R$262.2 million, driven by the higher CAPEX in Brazil. Cash flow from financing activities moved from an outflow of R$121.1 million in 1Q10 to an outflow of R$131.1 million in 1Q11. The overall cash variation changed from a negative variation of R$325.0 million in 1Q10 to a negative variation of R$345.5 million in 1Q11.

(In thousands of R$, except as otherwise indicated)

Table 14 - Cash Flow	Brazil			Argentina			Consolidated		
(R$ million)	1Q11	1Q10	% Change	1Q11	1Q10	% Change	1Q11	1Q10	% Change
Operating Activities	60.3	13.7	339.3%	(12.5)	11.4	na	47.7	25.2	89.7%
Investing Activities	(254.6)	(220.1)	15.6%	(7.6)	(8.9)	-14.8%	(262.2)	(229.0)	14.5%
Financing Activities	(154.3)	(122.3)	26.2%	23.2	1.2	1848.0%	(131.1)	(121.1)	8.3%
Increase in Cash	**(348.7)**	**(328.7)**	**6.1%**	**3.1**	**3.8**	**-16.9%**	**(345.5)**	**(325.0)**	**6.3%**

Balance Sheet and Capital Structure

Consolidated net financial debt reached R$3,065.9 million in 1Q11 compared to R$2,791.3 million in 4Q10. Net Debt to EBITDA ratio reached 2.3x in 1Q11, and net debt to equity reached 0.8x.

EVENTS TO DISCUSS 1Q11 RESULTS

1Q11 Results Conference Calls:

|ENGLISH|
May 11, 2011 – Wednesday
10:30 a.m. US EDT (11:30 a.m. Brazil)
Phone: +1 (973) 935-8854
Code: 59349346

Replay: +1 (706) 645-9291
Code: 59349346

|PORTUGUESE|
May 11, 2011 – Wednesday
9:00 a.m. US EDT (10:00 a.m. Brazil)
Phone: +55 (11) 4688-6361
Code: ALL

Replay: +55 (11) 4688-6312
Code: 3050173

1Q11 Results Investors Meeting:

May 13, 2011 – Friday
11:00 a.m. Brazil (followed by lunch)

Blue Tree Towers Faria Lima
Av. Brig. Faria Lima, 3989
Vila Olímpia - São Paulo

RSVP: www.all-logistica.com/ir or (11) 3529-3777

For additional information, please access the Company's website – www.all-logistica.com/ir, or contact our Investor Relations Area:

Rodrigo Campos
Gustavo Reichmann
Francisco de Paula
Leandro Santana
Tiago Canalli

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ir@all-logistica.com

We make forward-looking statements that are subject to risks and uncertainties. These statements are based on the beliefs and assumptions of our management, and on information currently available to us. Forward-looking statements include statements regarding our intent, belief or current expectations or that of our directors or executive officers.

Forward-looking statements also include information concerning our possible or assumed future results of operations, as well as statements preceded by, followed by, or that include the words "believes," "may," "will," "continues," "expects," "anticipates," "intends," "plans," "estimates" or similar expressions.

Forward-looking statements are not guarantees of performance. They involve risks, uncertainties and assumptions because they relate to future events and therefore depend on circumstances that may or may not occur. Our future results and shareholder values may differ materially from those expressed in or suggested by these forward-looking statements. Many of the factors that will determine these results and values are beyond our ability to control or predict.

(In thousands of R$, except as otherwise indicated)

APPENDIX

Table 15 - Financial Results	Brazil			Argentina			Consolidated		
(R$ million)	1Q11	1Q10	% Change	1Q11	1Q10	% Change	1Q11	1Q10	% Change
Gross revenues	**724.2**	**680.8**	**6.4%**	**37.1**	**32.3**	**15.0%**	**761.3**	**713.0**	**6.8%**
Deduction from gross revenues	(99.1)	(86.1)	15.2%	(1.0)	(0.8)	20.8%	(100.1)	(86.9)	15.2%
Net revenues	**625.0**	**594.7**	**5.1%**	**36.1**	**31.5**	**14.9%**	**661.2**	**626.1**	**5.6%**
Cost of sales	**(360.2)**	**(330.5)**	**9.0%**	**(35.6)**	**(30.7)**	**15.8%**	**(395.8)**	**(361.2)**	**9.6%**
Fuel	(107.0)	(109.4)	-2.2%	(6.1)	(5.8)	5.4%	(113.2)	(115.2)	-1.8%
Outsourced and contracted fleet	(34.4)	(27.3)	26.2%	(2.3)	(2.6)	-11.9%	(36.7)	(29.9)	22.9%
Labor	(54.7)	(52.6)	4.0%	(16.1)	(14.1)	14.3%	(70.8)	(66.7)	6.2%
Maintenance	(22.9)	(21.7)	5.4%	(3.8)	(2.5)	50.7%	(26.6)	(24.2)	10.1%
Depreciation	(87.8)	(79.3)	10.7%	(3.6)	(3.2)	13.4%	(91.5)	(82.5)	10.9%
Other	(41.0)	(34.8)	17.8%	(3.7)	(2.5)	45.8%	(44.7)	(37.3)	19.7%
Railcar Rental	(12.4)	(5.4)	128.4%	0.0	0.0	na	(12.4)	(5.4)	128.4%
Gross profit	**264.8**	**264.2**	**0.2%**	**0.5**	**0.7**	**-26.5%**	**265.3**	**264.9**	**0.2%**
Operating income (expenses)	(29.8)	(28.9)	3.1%	(3.8)	(3.7)	2.1%	(33.5)	(32.6)	3.0%
Equity earnings and gain (loss) on investments	**(9.8)**	**(7.9)**	**24.1%**	**(0.3)**	**(0.3)**	**-11.5%**	**(10.1)**	**(8.2)**	**22.7%**
Operating profit (loss) before net financial expenses	**225.3**	**227.4**	**-1.0%**	**(3.5)**	**(3.3)**	**7.0%**	**221.7**	**224.1**	**-1.1%**
Net financial expenses	(214.9)	(181.8)	18.2%	(5.8)	(6.4)	-9.0%	(220.7)	(188.2)	17.3%
Operating profit (loss)	**10.4**	**45.6**	**-77.3%**	**(9.4)**	**(9.7)**	**-3.5%**	**1.0**	**35.9**	**-97.3%**
Minority Stakes	(1.6)	(1.6)	4.8%	0.5	0.8	-37.0%	(1.1)	(0.8)	49.8%
Income tax benefit (expense)	(0.3)	(1.7)	-82.5%	1.0	1.6	-39.9%	0.7	(0.1)	na
Net income (loss)	**8.4**	**42.4**	**-80.1%**	**(7.9)**	**(7.3)**	**8.1%**	**0.5**	**35.0**	**-98.5%**

(In thousands of R$, except as otherwise indicated)

Table 16 - Financial Results per Business unit	Agricultural Commodities		Industrial Products		Highway Based Services		ALL Argentina		Total	
(R$ million)	1Q11	1Q10	1Q11	1Q10	1Q11	1Q10	1Q11	1Q10	1Q11	1Q10
Gross revenues	481.0	449.2	218.1	207.5	25.2	24.1	37.1	32.3	761.3	713.0
Net Revenues	420.0	397.3	183.4	176.5	21.7	20.9	36.1	31.5	661.2	626.1
Cost of sales	(224.1)	(201.6)	(116.3)	(109.8)	(19.8)	(19.2)	(35.6)	(30.7)	(395.8)	(361.2)
Gross profit	195.9	195.7	67.1	66.8	1.8	1.7	0.5	0.7	265.3	264.9
EBIT	169.3	171.4	55.6	55.6	0.4	0.4	(3.6)	(3.3)	221.7	224.1
EBITDA	**220.5**	**217.4**	**76.6**	**75.7**	**3.4**	**2.5**	**1.1**	**0.9**	**301.7**	**296.5**
% Net Revenues										
Net Revenues	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Cost of sales	-53%	-51%	-63%	-62%	-91%	-92%	-99%	-98%	-60%	-58%
Gross profit	47%	49%	37%	38%	9%	8%	1%	2%	40%	42%
EBIT	40%	43%	30%	31%	2%	2%	-10%	-11%	34%	36%
EBITDA	**53%**	**55%**	**42%**	**43%**	**16%**	**12%**	**3%**	**3%**	**46%**	**47%**
Volume										
RTK million	5,892	5,595	2,699	2,655			748	725	9,338	8,975
RK million					8.0	7.7			8.0	7.7
R$ / Volume Unit	**R$ / thousand RTK**		**R$ / thousand RTK**		**R$ / RK**		**R$ / thousand RTK**		**R$ / thousand RTK**	
Net Revenues	71.3	71.0	67.9	66.5	2.7	2.7	48.3	43.4	68.5	67.4
Cost of sales	(38.0)	(36.0)	(43.1)	(41.3)	(2.5)	(2.5)	(47.6)	(42.4)	(40.3)	(38.1)
Gross profit	33.2	35.0	24.9	25.1	0.2	0.2	0.7	1.0	28.2	29.3
EBIT	28.7	30.6	20.6	20.9	0.0	0.1	(4.7)	(4.6)	23.7	24.9
EBITDA	**37.4**	**38.9**	**28.4**	**28.5**	**0.4**	**0.3**	**1.5**	**1.3**	**31.9**	**32.8**

FOR THE PERIODS ENDED MARCH 31, 2011, DECEMBER 31, 2010 AND MARCH 31, 2010
(In thousands of R$, except as otherwise indicated)

Table 17 - EBITDA Reconciliation	1Q11			1Q10		
(R$ million)	Brazil	Argentina	Consolidated	Brazil	Argentina	Consolidated
Operating Profit before net financial expenses	**225.3**	**(3.6)**	**221.7**	**227.4**	**(3.3)**	**224.1**
Depreciation e amortization	99.9	3.9	103.8	88.7	3.7	**92.4**
Lease of Concession Agreements (IS-CASH)	(32.6)	0.0	(32.6)	(24.3)	0.0	**(24.3)**
Stock Options (1)	7.7	0.0	7.7	5.1	0.0	**5.1**
Accidents (2)	(1.0)	0.0	(1.0)	(1.4)	0.0	**(1.4)**
Non-cash and non-recurring itens (3)	1.4	0.7	2.1	0.0	0.5	**0.5**
EBITDA	**300.5**	**1.1**	**301.7**	**295.6**	**0.9**	**296.5**

(1) Stock Options in Brazil: R$7.7 million in 1Q11

(2) Accidents: amounts relating to compensation for accidents that occurred in previous periods.

(3) Non-cash and non-recurring itens: related to labor provisions.

(In thousands of R$, except as otherwise indicated)

Table 18 - ALL Consolidated Balance Sheet

(R$ million)	1Q11	4Q10		1Q11	4Q10
Current Assets	**2,422.2**	**2,703.4**	**Current Liabilities**	**1,730.2**	**1,703.7**
Cash, banks and financial investments	1,629.0	1,974.6	Loans and financing	463.7	385.5
Trade accounts receivable	302.7	231.4	Debentures	212.3	261.2
Inventories	101.1	105.1	Suppliers	367.4	345.4
Lease of Concession Agreements	6.2	6.2	Taxes, charges and contributions	69.6	61.0
Taxes Recoverable	274.7	277.0	Lease and concession payable	29.9	35.3
Advances and Other receivables	98.9	95.2	Dividends and Interest on own capital	58.3	58.3
Prepaid expenses	8.1	12.7	Salaries and payroll charges	45.3	78.7
Other receivables	1.5	1.3	Advances from customers	41.3	69.5
			Commercial Leasings	248.1	239.4
			Other payables	194.3	169.5
Long-Term Assets	**1,314.4**	**1,261.9**	**Long-Term Liabilities**	**7,129.9**	**6,988.2**
Lease of Concession Agreements	93.0	94.7	Loans and financing	2,560.3	2,653.5
Judicial deposits	363.5	348.0	Debentures	1,458.7	1,465.6
Taxes recoverable	784.2	771.0	Provision for contigencies	207.3	203.3
Other receivable	66.1	40.3	Lease and concession payable	1,164.3	1,114.8
Prepaid expenses	7.6	7.9	Commercial Leasings	1,054.8	856.7
			Real estate credit advances	452.4	466.4
			Other payables	232.2	227.8
Permanent Assets	**8,981.1**	**8,554.5**	**Shareholders' equity**	**3,857.6**	**3,828.0**
Investments	8.6	7.5	Capital stock	3,433.9	3,433.9
Intangible	2,522.1	2,535.1	Surplus reserves	388.6	378.5
Property, plant and equipment	6,450.3	6,012.0	Accumulated Net Income	0.5	(0.0)
			Equity Adjustments	14.1	(3.8)
			Minority Stakes	20.3	19.3
Total Assets	**12,717.7**	**12,519.8**	**Total Liabilities and shareholders' equity**	**12,717.7**	**12,519.8**

(In thousands of R$, except as otherwise indicated)

Table 19 - Cash Flow (R$ million)	1Q11	1Q10	Change
Net Income (in cash basis)	**140.0**	**128.7**	**11.3**
Net Income	0.5	35.0	(34.5)
Depreciation and amortization	103.8	92.4	11.4
Lease and Concession	44.1	29.5	14.6
Stock Options	7.7	5.1	2.5
Interest Expenses (IS-CASH)	(8.3)	(24.5)	16.2
Deferred Taxes	(7.8)	(8.9)	1.0
Working Capital	**(48.7)**	**(91.3)**	**42.5**
Clients	(71.3)	(65.5)	(5.8)
Inventory	4.0	4.2	(0.3)
Suppliers	22.1	(30.7)	52.7
Labor	(3.5)	0.7	(4.2)
Other Accounts Variation	**(43.5)**	**(12.3)**	**(31.2)**
Operating Activities	**47.7**	**25.2**	**22.6**
Capex	(251.6)	(229.2)	(22.4)
Inventory / Outros	(10.6)	0.2	(10.8)
Investing Activities	**(262.2)**	**(229.0)**	**(33.1)**
Capital increase / Share buyback	3.0	13.1	(10.1)
Dividends and Interest on own capital	0.0	0.0	0.0
New loans	60.0	0.0	60.0
Debt Payments / Prepayments	(194.1)	(134.2)	(59.9)
Financing Activities	**(131.1)**	**(121.1)**	**(10.0)**
Change in Cash	**(345.5)**	**(325.0)**	**(20.6)**
Opening Balance of Cash	**1,974.5**	**2,573.7**	**(599.2)**
Closing Balance of Cash	**1,629.0**	**2,248.8**	**(619.7)**

MANAGEMENT'S STATEMENT ON INDEPENDENT AUDITORS' SPECIAL REVIEW

Pursuant to Article 25, paragraph 1, items V and VI, of CVM Rule 480 as of December 7, 2009, the undersigned Officers of ALL – América Latina Logística S.A, state that:

(i) they have examined, discussed and agreed on the opinion issued in the independent auditors' special review report prepared by Ernst & Young Terco Auditores Independentes S.S. about the Quarterly Financial Information related to the quarter ended on March 31, 2011.

Curitiba, May 5, 2011.

Paulo Luiz Araújo Basílio – Chief Executive Officer | **Rodrigo Barros de Moura Campos –** Chief Financial and Investor Relations Officer | **Pedro Roberto Oliveira Almeida -** Institutional Relations Officer | **Eduardo Pelleissone -** Managing Director | **Sergio Nahuz -** Chief Commercial Officer | **Alexandre Santoro -** Chief Logistics Officer | **Alexandre Zanelatto -** Chief Operating Officer | **Melissa Alves Werneck -** Chief Personnel Officer

MANAGEMENT'S STATEMENT ON QUARTERLY INFORMATION

Pursuant to Article 25, paragraph 1, items V and VI, of CVM Rule 480 as of December 7, 2009, the undersigned Officers of ALL – América Latina Logística S.A state that:

(i) they have examined this Quarterly Financial Information referring to period ended March 31, 2011 of ALL – América Latina Logística S.A., and based on following discussions, agreed that they fairly present all relevant aspects, equity and financial position for the reported periods.

Curitiba, April 18, 2011.

Paulo Luiz Araújo Basílio – Chief Executive Officer **|** **Rodrigo Barros de Moura Campos –** Chief Financial and Investor Relations Officer | **Pedro Roberto Oliveira Almeida -** Institutional Relations Officer | **Eduardo Pelleissone -** Managing Director **|** **Sergio Nahuz -** Chief Commercial Officer | **Alexandre Santoro -** Chief Logistics Officer **|** **Alexandre Zanelatto -** Chief Operating Officer **|** **Melissa Alves Werneck -** Chief Personnel Officer

FISCAL COUNCIL’S REPORT

The members of ALL – América Latina Logística S.A. Fiscal Council, in the exercise of their duties and legal responsibilities, pursuant to Article 163 of Brazilian Corporation Law, proceed to examine and analyze this Quarterly Financial Information, accompanied by the independent auditors’ special review report and Management’s report of quarterly performance related to period ended on March 31, 2011 and, considering the information provided by the Company’s Management and Ernst & Young Terco Auditores Independentes S.S., issue an unanimous opinion that the reports fairly present, in all relevant aspects, the equity and financial position of the Company and its subsidiary, and the members recommend the approval of the documents by the Company’s Board of Directors, pursuant to Brazilian Corporation Law.

Curitiba, May 5, 2011

Newton de Souza Junior	Ricardo Scalzo	Marcos Rocha de Araújo
Chairman of Fiscal Council	Fiscal Council Member	Fiscal Council